



[Translation]

January 13, 2023

To whom it may concern:

Company Name: Mitsui & Co., Ltd.
Name of Representative: Kenichi Hori
Representative Director, President and Chief
Executive Officer
(Securities code: 8031)
Location of Head Office: 2-1, Otemachi 1-chome, Chiyoda-ku, Tokyo

Company Name: Otemachi Holdings G.K.
Name of Representative: Mitsui & Co., Ltd.
Representative Member
Executor: Kensuke Yoshida
Location of Head Office: 2-1, Otemachi 1-chome, Chiyoda-ku, Tokyo

**Notice Regarding Planned Commencement of Tender Offer
for Shares of Relia, Inc. (Security Code: 4708) by Otemachi Holdings G.K. in Connection with
Business Integration of Relia, Inc. and KDDI Evolva, Inc.**

Mitsui & Co., Ltd. (the "Company" or "Mitsui & Co.") announces that the Company has today entered into with KDDI CORPORATION ("KDDI," and together with KDDI's 165 consolidated subsidiaries and 39 equity method affiliates (as of September 30, 2022), the "KDDI Group") a basic transaction agreement (the "Basic Transaction Agreement") for the purpose of realizing a business integration (the "Business Integration;" scheduled to be implemented in or around July 2023) based on a spirit of equality of Relia, Inc. (security code: 4708), a company listed on the Prime Market of Tokyo Stock Exchange, Inc. (the "TSE") (until April 3, 2022, the First Section of the TSE; hereinafter the same) (the "Target," and together with the Target's nine consolidated subsidiaries, two non-consolidated subsidiaries, and two equity method affiliates (as of today), the "Target Group"), and KDDI Evolva, Inc. ("KDDI Evolva"), a wholly-owned subsidiary of KDDI, so that KDDI and the Company will respectively hold 51.0% and 49.0% of the voting rights of the Integrated Company (as defined below) after the Business Integration, and decided that Otemachi Holdings G.K. (the "Offeror," and together with the Company, the "Offeror Parties") will acquire shares of the common stock of the Target (the "Target's Stock") through a tender offer (meaning the tender offer under the Financial Instruments and Exchange Act (Act No. 25 of 1948, as amended; the "Act") and related laws and regulations; the "Tender Offer") in order to make the Target a wholly-owned subsidiary of

the Company, as described below.

It is expected that a certain period of time is necessary to complete the procedures and actions required under the competition laws and other similar laws of Japan, China, South Korea, France, the Philippines, and Vietnam pursuant to the Basic Transaction Agreement. Accordingly, the Tender Offer is scheduled to be commenced promptly upon the satisfaction (or waiver by the Company and KDDI) of certain conditions (the "Preconditions") (Note 1) (Note 2), including the completion of such procedures and actions, and as of today, it is targeted to commence in or around March 2023 (Note 5), but it is difficult to accurately predict the length of time required for the procedures and actions with Japanese and foreign competition authorities. As such, the Offeror Parties will announce the details of the schedule for the Tender Offer as soon as they are determined.

(Note 1) (i) The implementation of none of the transactions to achieve the Business Integration, including the Transaction (as defined in "(1) Outline of the Tender Offer" under "1. Purposes of the Purchase;" hereinafter the same), constitutes, or is reasonably expected to constitute, a violation of law or regulation in any material respect (including the absence of any petition, lawsuit or other proceedings pending before the relevant authorities seeking to restrict or prohibit any of the transactions to achieve the Business Integration, including the Transaction, the absence of any order, decision, etc. by the relevant authorities to restrict or prohibit any of the transactions to achieve the Business Integration, including the Transaction, and the absence of any concrete threat of such restriction or prohibition); (ii) the implementation of the transactions to achieve the Business Integration, including the Transaction, does not conflict in any material respect with any license, approval, permit, etc. or conditions attached thereto, or violate any required procedures pertaining to any license, approval, permit, etc., and such conflict or violation is not reasonably expected (including the receipt of the approval of the competition authorities required under the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of 1947) of Japan (the "Antimonopoly Act"), and the competition laws and other similar laws of China, South Korea, France, the Philippines, and Vietnam to implement the transactions to achieve the Business Integration, including the Transaction, and the elapse of the waiting period and the review period (if any) (including the receipt of a notice that no cease and desist order is to be rendered), and a reasonable expectation that the Japan Fair Trade Commission or other relevant competition law authorities will not take any action or proceeding that prevents the implementation of the transactions to achieve the Business Integration, including the Transaction); (iii) a unanimous resolution to approve the Tender Offer has been adopted by all of the directors of the Target who participated in the deliberations and the resolution, such resolution has been publicly announced, and no resolution conflicting with or withdrawing the substance of the opinion so expressed has been made; (iv) the Special Committee (as defined in

"(I) Background, purposes, and decision-making process leading to the implementation of the Tender Offer by the Offeror" under "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer" under "1. Purposes of the Purchase" below; hereinafter the same) established by the Target has submitted a report in favor of the Target's supporting the Tender Offer and implementing the Transaction, and such report has not been withdrawn; (v) the Shareholders Agreement (as defined in "(II) Management policy after the Tender Offer" under "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer" under "1. Purposes of the Purchase" below; hereinafter the same) has been validly executed and remains in force; (vi) no event has occurred or become known, and is reasonably expected to occur or become known, that will have a material adverse effect on the transactions to achieve the Business Integration, including the Transaction, or otherwise make it difficult to achieve the purposes of the transactions to achieve the Business Integration, including the Transaction; (vii) all of the representations and warranties of the counterparty (which refers to the Company for KDDI, and refers to KDDI for the Company; hereinafter the same) (Note 3) are true and accurate in material respects (without giving effect to any limitation indicated by "in material respects" as to the representations and warranties subject to materiality qualifiers such as "important," "material," "in material respects," or any similar limitation) and there is no material breach of the counterparty's obligations under the Basic Transaction Agreement (Note 4); and (viii) as of the commencement date of the Tender Offer, there is no undisclosed material fact with respect to the Target's businesses forming the basis for insider trading restrictions under Article 166 of the Act, or any undisclosed fact concerning tender offers with respect to the Target's share certificates forming the basis for insider trading restrictions under Article 167 of the Act. For the details of the Basic Transaction Agreement, see "(I) Basic Transaction Agreement" under "(6) Material agreements relating to the Tender Offer" under "1. Purposes of the Purchase" below.

(Note 2) The preconditions set forth in (i) through (vi) and (viii) of (Note 1) may be waived in whole or in part by written agreement of the Company and KDDI, and the precondition set forth in (vii) of (Note 1) may be waived in whole or in part by the counterparty of the party in breach of its representations and warranties or obligations. Accordingly, with respect to the precondition set forth in (ii) of (Note 1), if the Company and KDDI reasonably determine that it is certain that approval of the competition authorities is to be obtained, and the waiting period/review period (if any) is to elapse (including the receipt of a notice that no cease and desist order is to be rendered) during the tender offer period for the Tender Offer (the "Tender Offer Period"), they may waive the precondition set forth in (ii) of (Note 1), and thereupon the Tender Offer may be commenced.

- (Note 3) For the substance of the Company's and KDDI's respective representations and warranties under the Basic Transaction Agreement, see Note 1 to "(I) Basic Transaction Agreement" under "(6) Material agreements relating to the Tender Offer" under "1. Purposes of the Purchase" below.
- (Note 4) For the substance of the Company's and KDDI's respective obligations under the Basic Transaction Agreement, see Note 2 to "(I) Basic Transaction Agreement" under "(6) Material agreements relating to the Tender Offer" under "1. Purposes of the Purchase" below.
- (Note 5) The Offeror Parties will promptly announce any changes to the scheduled time for the commencement of the Tender Offer.

The Company expects to record, in the course of the series of transactions, a valuation gain (the amount of which is under review) on the fair value of its existing shares of the Target's Stock in the fiscal year ending March 2024. Please note that this Press Release serves as disclosure by the Company under the Securities Listing Regulations of the TSE, and also serves as an announcement made at the request of the Offeror to the Company (i.e. the Offeror's parent company) pursuant to Article 30, Paragraph 1, Item 4 of the Order for Enforcement of the Financial Instruments and Exchange Act (Cabinet Order No. 321 of 1965, as amended).

1. Purposes of the Purchase

(1) Outline of the Tender Offer

As of today, the Company is the largest shareholder of the Target, owning 23,707,200 shares of the Target's Stock (Shareholding Ratio (Note 1): 36.56%). The Target is an equity method affiliate of the Company. The Offeror is a *godo kaisha* established on January 6, 2023 for the principal purpose of acquiring and owning the Target's Stock through the Tender Offer, and all of its equity is held by the Company. The Company has chosen to use the Offeror as an acquiring entity in the Tender Offer from the perspective of conducting the Tender Offer in a flexible manner so that the Tender Offer can be launched as soon as it is approved by competition authorities. As of today, the Offeror does not hold any share of the Target's Stock. As of today, the Offeror's outline is as follows:

(i) Name	Otemachi Holdings G.K.
(ii) Location	2-1, Otemachi 1-chome, Chiyoda-ku, Tokyo
(iii) Name and title of representative	Representative member: Mitsui & Co., Ltd. Executor: Kensuke Yoshida
(iv) Description of business	1. The business of controlling and managing business activities of companies by holding shares or equity interests in such companies; and 2. Any business incidental or relating to the preceding

	item.
(v) Amount of share capital	1 yen

(Note 1) "Shareholding Ratio" refers to the ratio (rounded to the second decimal place; hereinafter the same applies in the calculation of the Shareholding Ratio) of the number of shares held to the total number of issued shares as of September 30, 2022 as stated in the "Quarterly Securities Report for the Second Quarter of the 36th Term" filed by the Target on November 11, 2022 (the "Target's 2Q Securities Report") (64,838,033 shares; As of September 30, 2022, the Target does not hold any treasury share.). The Shareholding Ratio calculated based on the latest information available at the time of commencement of the Tender Offer may differ from the above figure due to changes after the said date; hereinafter the same applies.

The Company has today concluded with KDDI the Basic Transaction Agreement concerning the Business Integration and has decided the following: (i) in accordance with the Basic Transaction Agreement, the Offeror will conduct the Tender Offer for all of the Target's Stock (excluding the Target's Stock held by the Company and the treasury shares held by the Target (if any; hereinafter the same)) for the purpose of the Business Integration subject to the satisfaction (or waiver by the Company and KDDI) of the Preconditions; (ii) thereafter, if the Offeror fails to acquire all of the Target's Stock (excluding the Target's Stock held by the Company and the treasury shares held by the Target), the Offeror or the Company will implement a series of procedures (the "Squeeze-out Procedure," and together with the Tender Offer, the "Transaction") to allow the Offeror Parties to own all of the Target's Stock (excluding the treasury shares held by the Target), (iii) after the completion of the Transaction, the Target and the Offeror will consummate an absorption-type merger wherein the Target is to be the surviving company and the Offeror is to be the absorbed company ("Merger No. 1"), targeting late June 2023, and (iv) after the entry into force of Merger No. 1, the Target and KDDI Evolva will consummate an absorption-type merger wherein KDDI Evolva is to be the surviving company and the Target is to be the absorbed company ("Merger No. 2"), targeting around July 2023 (hereinafter, KDDI Evolva after the entry into force of Merger No. 2 is referred to as the "Integrated Company," and the Integrated Company and its subsidiaries and associated companies are collectively referred to as the "Integrated Company Group"). For the details of the Basic Transaction Agreement, see "(I) Basic Transaction Agreement" under "(6) Material agreements relating to the Tender Offer" below.

The Offeror has today entered into a tender offer agreement (the "Tender Agreement") with CENTRAL SECURITY PATROLS CO., LTD. ("Central Security Patrols"), the second largest shareholder of the Target, owning 6,193,344 shares of the Target's Stock (Shareholding Ratio: 9.55%). In the Tender Agreement, Central Security Patrols has agreed to tender all of its shares of

the Target's Stock (6,193,344 shares; Shareholding Ratio: 9.55%) in the Tender Offer. For the details of the Tender Agreement, see "(II) Tender Agreement" under "(6) Material agreements relating to the Tender Offer" below.

As of today, the Offeror Parties are not aware of any event of material impediment to the satisfaction of the Preconditions. The Offeror Parties will implement the procedures and actions required under the competition laws and other similar laws of Japan, China, South Korea, France, the Philippines, and Vietnam for the satisfaction of the precondition set forth in (ii) of Note 1 to the second paragraph of this Press Release, out of the Preconditions, based on the legal advice of local law firms in Japan and abroad. The Offeror Parties are already making the necessary advance preparations for such procedures and actions, and from today, will consult with the relevant authorities concerning competition law to ensure that such procedures and actions can be implemented (The Offeror Parties have already started preliminary consultations with the Japan Fair Trade Commission.). The Offeror Parties aim to complete such procedures and actions in or around March, 2023, based on the opinions of local law firms in Japan and abroad. As regards the commencement of the Tender Offer, since a certain period of time is expected to be needed for the procedures and actions under the above-mentioned competition laws and other similar laws pursuant to the Basic Transaction Agreement, the Tender Offer is scheduled to be implemented promptly upon the satisfaction (or waiver by the Company and KDDI) of the Preconditions, and as of today, it is targeted to commence in or around March 2023. As it is difficult to accurately predict the length of time required for the procedures with Japanese and foreign competition authorities, the details of the schedule for the Tender Offer will be announced as soon as they are determined.

The Offeror has set the minimum number of tendered shares to be purchased in the Tender Offer (Note 2) at 19,518,200 shares (Shareholding Ratio: 30.10%), and if the total number of the shares tendered in the Tender Offer (the "Tendered Shares") is less than the minimum number of tendered shares to be purchased, the Offeror will purchase none of the Tendered Shares. Meanwhile, with the intention of having the Target's Stock go private, the Offeror has not set the maximum number of tendered shares to be purchased in the Tender Offer, and if the total number of the Tendered Shares is no less than the minimum number of tendered shares to be purchased, the Offeror will purchase all of the Tendered Shares. The minimum number of tendered shares to be purchased (19,518,200 shares) has been set so that upon the completion of the Tender Offer, the total number of voting rights of the Target held by the Offeror Parties should be two-thirds ($\frac{2}{3}$) (any fraction less than one to be rounded up) or more of the total number of voting rights of the Target (i.e. 648,380, which is the number of voting rights pertaining to the total number of issued shares of the Target as of September 30, 2022 as stated in the Target's 2Q Securities Report (64,838,033

shares; As of September 30, 2022, the Target does not hold any treasury share.)). While the Tender Offer is intended to make the Offeror Parties the sole shareholders of the Target, such minimum number of tendered shares to be purchased has been set because a special resolution of the shareholders meeting as provided in Article 309, Paragraph 2 of the Companies Act (Act No. 86 of 2005, as amended; hereinafter the same) is a requirement for implementing the Share Consolidation (as defined in "(4) Policies on the organizational restructuring, etc. after the Tender Offer (matters concerning "two-step acquisition)") below; hereinafter the same), and it is necessary that the Offeror Parties hold two-thirds (2/3) or more of the total number of voting rights of all shareholders of the Target after the Tender Offer to ensure that such procedure is carried out.

(Note 2) The minimum number of tendered shares to be purchased is a provisional number based on information available as of today, and the actual minimum number of tendered shares to be purchased in the Tender Offer may differ from the above number due to changes hereafter. The final minimum number of tendered shares to be purchased is scheduled to be determined prior to the commencement of the Tender Offer.

If, upon the completion of the Tender Offer, the Offeror Parties are unable to acquire all of the Target's Stock (excluding the treasury shares held by the Target) in the Tender Offer, the Offeror Parties will, after the completion of the Tender Offer, implement the Squeeze-out Procedure to acquire all of the Target's Stock (excluding the treasury shares held by the Target), as described in "(4) Policies on the organizational restructuring, etc. after the Tender Offer (matters concerning "two-step acquisition)") below.

According to "Announcement of Opinion Supporting Planned Commencement of Tender Offer for Shares in the Company by Otemachi Holdings G.K., to Which Mitsui & Co., Ltd. Contributes, and Recommendation for Our Shareholders to Tender Their Shares in Tender Offer" published today by the Target (the "Target's Press Release"), the Target adopted at its board of directors meeting held today a resolution to the effect that it shall express its current opinion at this time in favor of the Tender Offer and recommend that its shareholders tender their shares in the Tender Offer, if the Tender Offer is commenced.

According to the Target, it has resolved at the above-mentioned board of directors meeting to take the following procedures for the expression of its opinion. Specifically, the Target has also resolved to (i) request, at the commencement of the Tender Offer, that the Special Committee established by the Target review whether any change should be made to the opinion expressed by the Special Committee to the Target's board of directors as of today, and either advise the Target's board of directors accordingly if there is no change, or if any change should be made, state the amended opinion, and to (ii) again express the Target's opinion regarding the Tender Offer upon the

commencement of the Tender Offer based on such opinion of the Special Committee, as described in "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee" under "(3) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflict of interests" below.

The Target states that the above-mentioned board resolution of the Target was passed on the assumption of the consummation of the Transaction, the scheduled delisting of the Target's Stock, and the intention of the Offeror Parties, KDDI, and KDDI Evolva to carry out the Business Integration by implementing the Tender Offer, the Squeeze-out Procedure, Merger No. 1, and Merger No. 2. For the details regarding the decision-making process of the board of directors of the Target, see the Target's Press Release and "(III) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Target" under "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer" below.

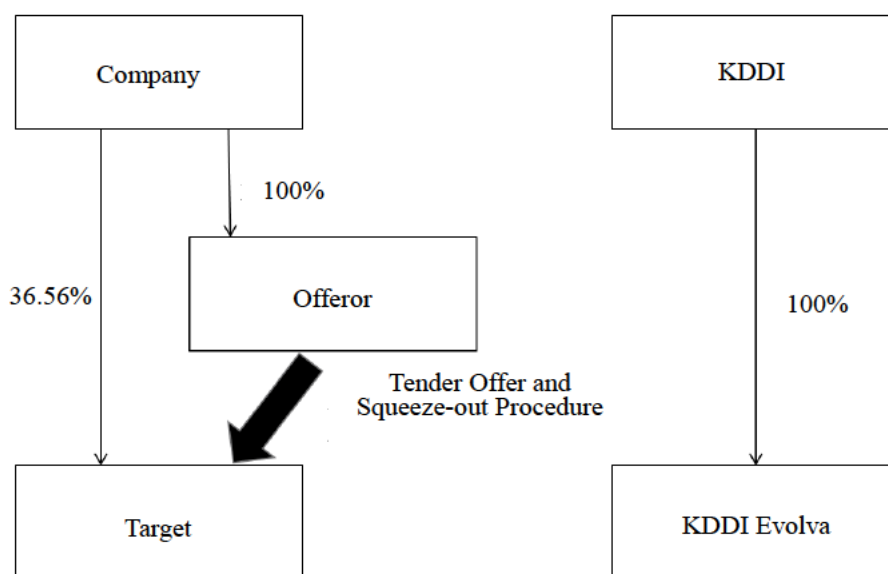
The following is a rough illustration of the entire transactions for the Business Integration.

<Overall Structure of the Transaction for the Business Integration>

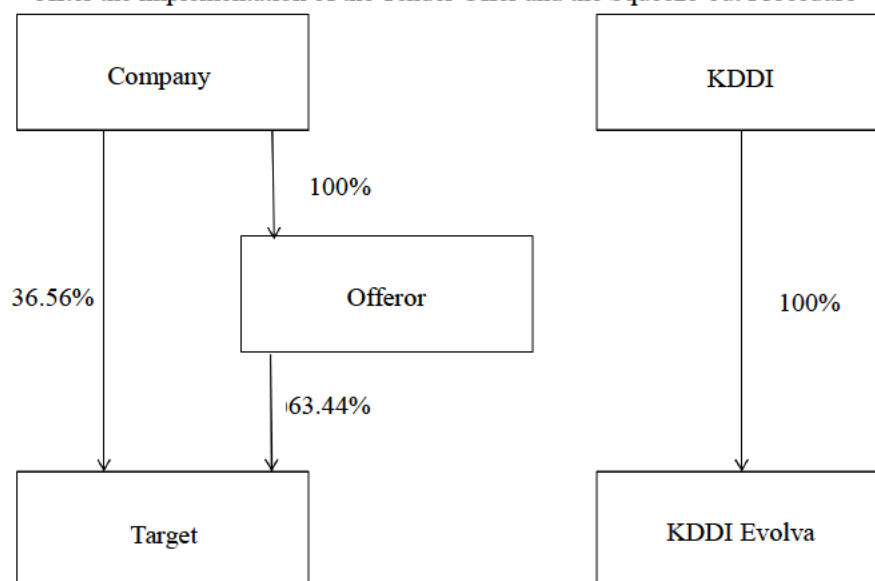
(i) Implementation of the Tender Offer and the Squeeze-out Procedure

The Offeror will conduct the Tender Offer subject to the satisfaction (or waiver by the Company and KDDI) of the Preconditions as a prerequisite for its commencement. If, upon the completion of the Tender Offer, the Offeror Parties fail to acquire all of the Target's Stock (excluding the treasury shares held by the Target), the Squeeze-out Procedure will be implemented. For the details of the Squeeze-out Procedure, see "(4) Policies on the organizational restructuring, etc. after the Tender Offer (matters concerning "two-step acquisition")" below.

<Before the implementation of the Tender Offer and the Squeeze-out Procedure>



<After the implementation of the Tender Offer and the Squeeze-out Procedure>

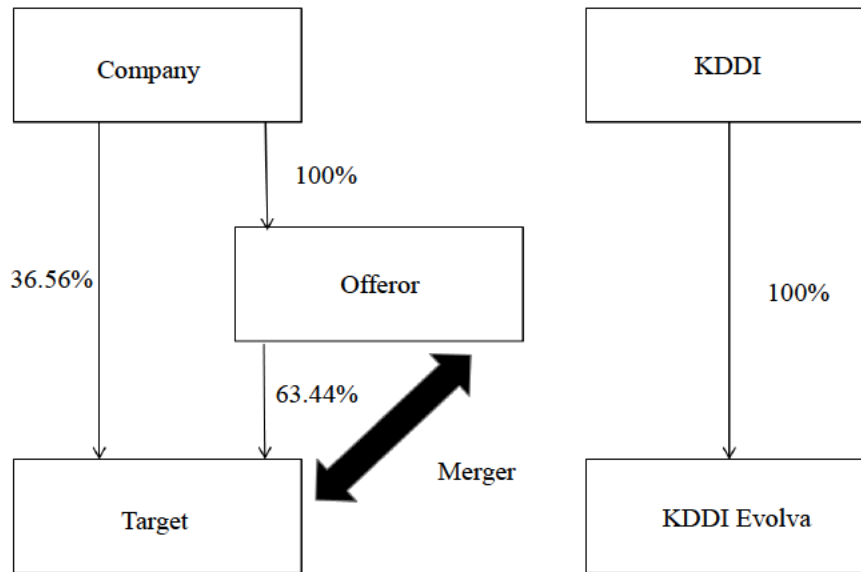


(Note 3) Depending on the outcome of the Squeeze-out Procedure, the Company's and the Offeror's respective Shareholding Ratios in the Target may vary.

(ii) Implementation of Merger No. 1

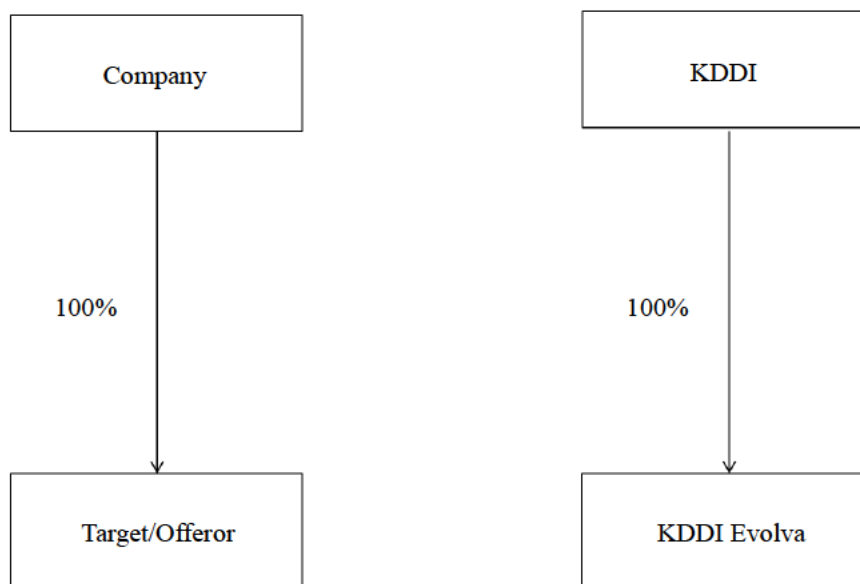
It is scheduled that after the completion of the Tender Offer and the Squeeze-out Procedure in (i) above, the Offeror and the Target will consummate Merger No. 1, wherein the Target is to be the surviving company and the Offeror is to be the absorbed company, and the Target will issue new shares as consideration for the merger, and will allot and deliver all of them to the Company.

<Before the implementation of Merger No. 1>



(Note 4) Depending on the outcome of the Squeeze-out Procedure, the Company's and the Offeror's respective Shareholding Ratios in the Target may vary.

<After the implementation of Merger No. 1>

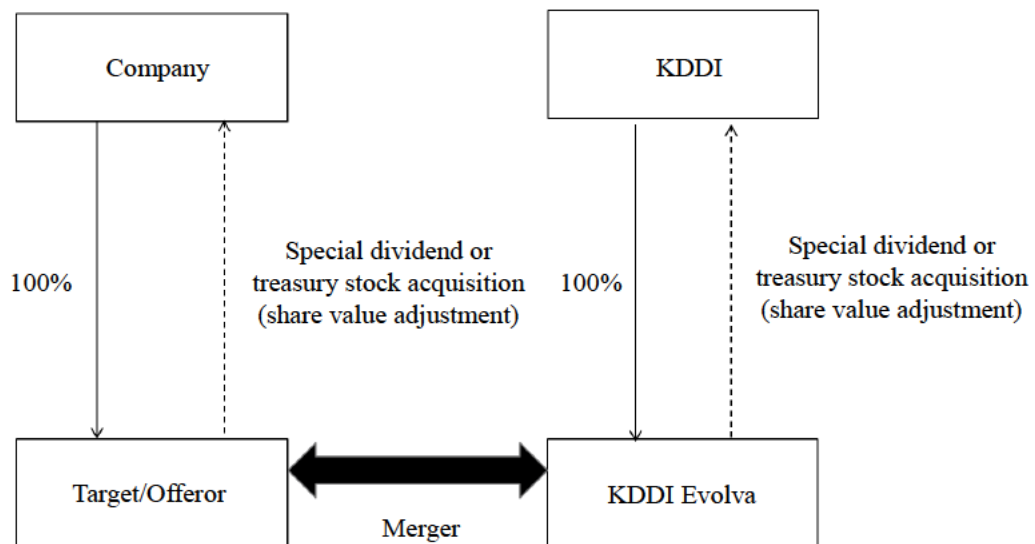


(iii) Implementation of Merger No. 2

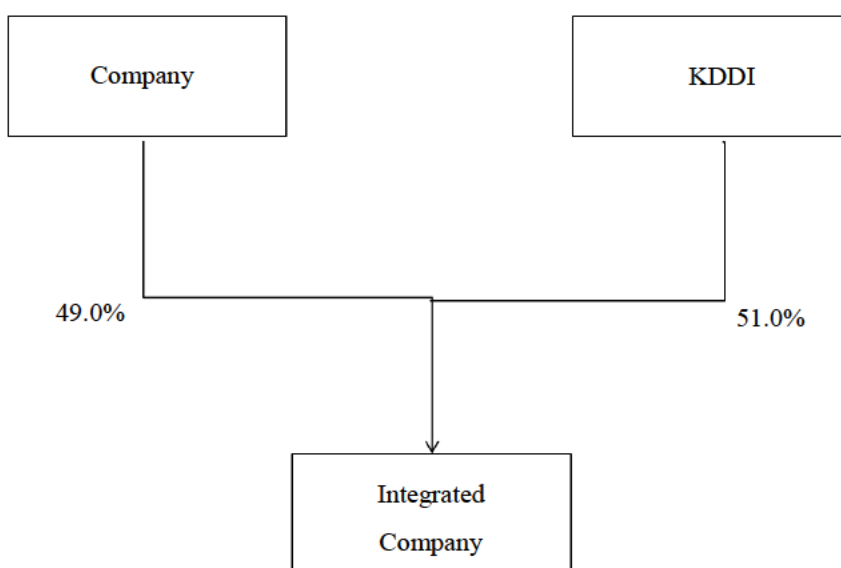
After the entry into force of Merger No. 1, the Target and KDDI Evolva will consummate Merger No. 2, wherein KDDI Evolva is to be the surviving company and the Target is to be the absorbed company. Upon Merger No. 2, shares of the common stock of KDDI Evolva will be allotted and delivered to the Company as consideration for the merger at a merger

ratio such that the number of voting rights of the Integrated Company held by the Company will be 49.0% of the total number of voting rights of all shareholders of the Integrated Company. In light of the possibility that the ratio of the Target's share value to KDDI Evolva's share value at the time of entry into force of Merger No. 2 may not necessarily be equal to the above-mentioned merger ratio, between the completion of Merger No. 1 and the effective date of Merger No. 2, the share values will be adjusted by means of special dividend or acquisition of treasury stock by the Target and/or KDDI Evolva in order to bring the ratio of the Target's share value to KDDI Evolva's share value into line with the above-mentioned merger ratio and to optimize the capital structure of the Integrated Company.

<Before the implementation of Merger No. 2>



<After the implementation of Merger No. 2>



(iv) After completion of the Business Integration

Upon completion of the Business Integration, the Company will hold 49.0% of the voting rights of the Integrated Company, and the Integrated Company will become an equity method affiliate of the Company.

(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer

Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer are as follows. The below descriptions of the Target are based on the information released by the Target, the Target's Press Release, and the explanations received from the Target.

(I) Background, purposes, and decision-making process leading to the implementation of the Tender Offer by the Offeror

The Company was incorporated under the trade name of Daiichi Bussan Kaisha, Ltd. in July 1947. In February 1959, it changed its trade name to Mitsui & Co., Ltd. (the Company listed its shares on the TSE in May 1949, listed its shares on the Sapporo Securities Exchange (the "SSE"), the Nagoya Stock Exchange, Inc. (the "NSE") and Osaka Stock Exchange (the "OSE") in November 1954, and listed its shares on the Fukuoka Stock Exchange (the "FSE") in February 1959. Due to the integration of the cash markets of the TSE and the OSE in July 2013, the Company is currently listed on the TSE, SSE, NSE, and FSE. In addition, as a result of the reorganization of market segments that took place in April 2022, companies listed on the First Section of the TSE and are now listed on the Prime Market, and companies listed

on the First Section of the NSE are now listed on the Premier Market). The Company has 279 consolidated subsidiaries and 230 equity method affiliates (as of March 31, 2022) (collectively, together with the Company, the "Company Group"). The Company Group is engaged in a wide range of businesses, including trading, manufacturing, transportation, and financing of a wide variety of products, mainly by the Company, a general trading company, and by utilizing the global business locations and its information resources, in various fields including Mineral & Metal Resources, Energy, Machinery & Infrastructure, Chemicals, Iron & Steel Products, Lifestyle, and Innovation & Corporate Development. In addition, it is engaged in a wide range of initiatives, including the establishment of resource and infrastructure development projects, business investment in the environment, new technologies, next-generation fuels, and wellness, and value creation through the use of digital technologies. For the Company Group, information and communications technology (ICT) is one of its key areas of focus in the area of innovation and corporate development, and it provides value-added services through a wide range of transactions and investments that contribute to various industries, including new initiatives in the fields of (i) "digital solutions" which involves the development of IT services, cybersecurity, industrial solutions, and digital infrastructure; (ii) "B2C platform" which involves the development of TV shopping, broadcasting, digital media, and other consumer-related businesses; (iii) "CRM (Note 1)" which involves peripheral businesses such as contact center and digital marketing; and (iv) "innovative business" which involves the creation of next-generation businesses utilizing IT in cutting-edge fields such as digital transformation (DX) (Note 2), healthcare DX, fintech, and cloud. The Company Group aims to improve the services of each business and build new businesses by effectively utilizing the data generated in everyday life through the acquisition of diverse information gathering and transmission methods by consumers in line with the progress of digitalization of society, and by forming partnerships with domestic and overseas companies that have the technology to collect and analyze the diverse data generated through industrial activities. The Company Group utilizes its comprehensive knowledge of industry and business in each of the above industries in which it operates to meet DX needs in all industries, and incorporate new added value and business creation.

(Note 1) "CRM" stands for Customer Relationship Management, and means a management strategy that aims to expand sales and improve profitability through improvement of customer satisfaction and customer loyalty.

(Note 2) "DX" means the creation of new business models and the transformation of existing businesses (Digital Transformation) by utilizing data and digital technologies.

On the other hand, according to the Target, the Target was established in Bunkyo-ku, Tokyo in June 1987 as the "Moshi Moshi Hotline Co., Ltd." with investments from a total of 12 companies, mainly the Company. After that, the Target changed its trade name to the current "Relia, Inc." in October 2015. The Target listed its shares on the Second Section of the TSE in November 2000, and then, its shares were listed on the First Section of the TSE in March 2002, and in April 2022, the Target moved from the First Section to the Prime Market. As of today, the Target Group consists of the Target, 9 consolidated subsidiaries, 2 non-consolidated subsidiaries, and 2 equity method affiliates, and is engaged in the following business development.

- Contact Center Business: The Target provides services to support activities of its client companies such as customer support and marketing through non-face-to-face customer service such as telephone, chat, e-mail, and the Web. In addition to the Target, consolidated subsidiaries such as MAXCOM, Inc., WITELLAS INC., Relia Digital Inc., and Inspiro Relia, Inc. mainly provide these services.
- Back Office Business: The Target provides one-stop operation services in the back office, from sorting documents, checking defects, and inputting data, to sending materials and products to customers. In addition to the Target, MAXCOM, Inc. mainly provides these services.

According to the Target, megatrends in social changes that bear watching include demographic changes, advances in technology, responses to climate change, and COVID-19 pandemic and new normal. The Target Group expects that these trends will have a number of impacts on the Target Group: (i) the need for outsourcing and attending to clients continues to increase, but the labor market is becoming strained; (ii) while the needs of consumers have become more complex and advanced going forward, advances are being made to technologies as alternatives to conventional operations, and there are demands for high value-added operations carried out by people, and in addition, the strategic importance of improving CX (Note 3) will be greater; and (iii) corporate value will be seen in terms of how social issues can be resolved through business activities. To address these changes in the business environment, the Target Group announced its "Mid-term Management Plan 2023" in May 2021. The plan's vision is "Reborn as 'No. 1 Reliable Company' for each and every stakeholder" and the following three priority themes are being addressed to achieve the plan.

- Create CX (Customer Experience)

Consistently responsible from planning to improvement, using automated solutions and non-voice channels, and combining with operator's high-quality service to create continuous value.

- Create EX (Employee Experience) (Note 4)

Enhancing the quality of the work environment so that employees with diverse values can fully demonstrate their abilities, and creating the meaning and value in working for the Target.

- Strengthen the business foundation

Through initiatives based on the "Basic Policy for Initiatives to Restore Trust (Outline)," which was developed in response to the discovery in January 2020 of inappropriate business operations at the Target's Kagoshima Center, further strengthen the business foundation, strengthening the inter-organizational cooperation, and demonstrating the Target Group's collective strength as a whole.

(Note 3) CX (Customer Experience) means not only "reasonable value" such as the functions, performance, and price of products and services, but also "emotional value" as the experience through the process of purchase, the process of use, and the follow-up after the purchase, and the creation of CX by the Target will enhance engagement between its client companies and consumers.

(Note 4) EX (Employee Experience) emphasizes employees' sense of happiness, motivation, and satisfaction with the workplace, and considers the experiences that employees feel at the workplace to be "the value that the company provides to its employees," and improvements in EX support a high level of customer service quality."

According to the Target, in 2021, the first year of the "Mid-term Management Plan 2023," the Target Group set targets of net sales of 120 billion yen, operating profit of 8.4 billion yen, operating profit margin of 7.0%, and ROE of 12.4% as objective indicators for judging the status of achievement of management targets. In Japan, the Contact Center Business was affected by the termination and reduction of basic operations, while orders for spot operations due to social events increased from the previous year. In overseas markets, despite the impact of the COVID-19 pandemic, steady demand in North America was captured by the realization of stable operations through the establishment of home operations. Regarding the Back Office Business, although basic operations were generally steady, spot operations declined from the previous year. As a result, the Target's operating results for 2021 were ¥117.9 billion in net sales and ¥8.3 billion in operating profit, slightly below its targets. The specific progress made on the priority themes in said year is as follows.

- Create CX

As part of its DX initiatives that support the creation of CX, the Target established the DX Strategic Headquarters in April 2021 and has promoted the development of digital services that contribute to the designing of optimal channels through operational assessments (a system that analyzes the behavior of actual consumers making inquiries to companies and designs response channels that match the behavior of consumers, such as phone calls and chat) and the enhancement of Target's services. In October 2021, the Target announced its specific policy to accelerate its DX as the "Relia DX Strategy" and in March 2022, the Target announced the "CX Grand Design," which describes the Target's vision for a contact center and how to realize it, with the aim of further promoting the creation of CX by its client companies. In addition, as a result of active marketing activities for the Target's services and solutions, such as holding online seminars and workshops, the number of projects promoting DX has increased.

- Create EX

The Target conducted employee satisfaction surveys, held events and training on diversity, and promoted the creation of a workplace where diverse human resources can work in a healthy and rewarding manner. In addition, the new human resource system, which has been introduced in July 2022, has been established, and the training for managers and operators has been renewed as "Relia Operations School." Further, in addition to receiving various certifications and registrations related to child-rearing and the active participation of women from local governments, BUSINESS PLUS INC., a "special affiliate company" of the Target, was registered as a company certified under the "Monisu Certification System" by the Ministry of Health, Labour and Welfare as an excellent employer for the employment of people with disabilities.

- Strengthen the business foundation

The Target steadily implemented measures based on the "Basic Policy for Initiatives to Restore Trust (Outline)." In addition to holding workshops aimed at disseminating the newly established code of conduct and working on measures to improve engagement at each workplace, the Target promoted measures to strengthen the security of company-wide information and developed a system to support diverse work styles. Further, the Target worked to improve the quality of business operations by strengthening monitoring of business operations and conducting self-inspections.

According to the Target, in 2022, the outlook for the Japanese and overseas economies remains uncertain due to the impact of the COVID-19 pandemic, deterioration in

international conditions, and rapid changes in financial markets. In the BPO (Note 5) industry to which the Target Group belongs, the demand for outsourcing to solve the issues faced by client companies, such as responding to the increasing complexity and sophistication of consumer needs and the digitalization of communications, is robust. In this environment, in 2022, the second year of the "Mid-term Management Plan 2023," the Target Group is promoting the following measures as initiatives for priority themes under the plan.

(Note 5) "BPO" stands for Business Process Outsourcing and means outsourcing of a series of administrative processes.

• Create CX

For contact center services, "AmiVoice® Communication Suite," an AI speech recognition solution provided by Advanced Media, Inc. which was judged to have higher voice recognition rate and other functions than similar products, has been fully introduced with a view to making it a standard function of the Target's operation center. For back office services, "CLOVA OCR," an AI-OCR (optical character recognition) service provided by LINE Corporation which is expected to work seamlessly with various AI products, was introduced into "Relia BPA System" provided by the Target. In marketing activities, the Target actively carried out sales activities such as planning proposals and holding seminars based on the "CX Grand Design" designed by the Target to enhance its corporate competitiveness through the creation of CX, and released brand movies that clearly express the world view of the services provided by the Target.

• Create EX

With the aim of enhancing the quality of human resources and providing an environment in which diverse human resources can work with peace of mind and energy, the Target's office adopted a dress code-free system throughout the year. With regard to human resource recruitment, the recruitment function in the Tokyo metropolitan area was transferred to the head office, and the collaboration between the bases was enhanced more than ever to strengthen the recruitment ability. At the same time, the operation ability was strengthened by enriching the contents of the "Relia Operation School," which was established last year.

• Strengthen the business foundation

The Target continued to implement measures based on the "Basic Policy for Initiatives to Restore Trust (Outline)." The Target has completed the enhancement of the IT infrastructure, including the enhancement and standardization of information security at the Target's

operation center, and introduced new groupware to enhance information security and improve productivity.

According to the Target, the "Mid-term Management Plan 2023" also sets non-financial goals for realizing "Sustainable & Reliable Society," which is the ideal society as a whole that the Target considers to be, and aims to achieve growth in both economic value and social value. In April 2022, the Target established the officer in charge of sustainability promotion and the Sustainability Promotion Committee to promote overall sustainability initiatives. For "Enhancing CX through DX," the Target has formulated a vision and developed strategies and systems that correspond to the basic matters of the "Digital Governance Code" and has been selected by the Ministry of Economy, Trade and Industry as a "DX-Certified Business Operator" that is ready for digital transformation (DX-Ready). For "Responses to climate change and the environment," the Target established an environmental policy, agree with the TCFD Recommendations, which are a framework for international climate-related information disclosure, and disclosed information based on such Recommendations. In addition, the Target issued "Sustainability Report 2022" in August 2022, which summarizes the Target's sustainability initiatives.

The Company and the Target have built a relationship through capital relationships and business transactions through the present. The relationship between the two companies was established in June 1987 when the Target was established by investment from 11 other companies, with the Company at its core, the Company acquired 4,600 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (8,100 shares) at the time of incorporation, i.e. June 23, 1987: 56.79%; please note that the Target did not hold any treasury shares at that time; the Target also held no treasury shares at the time of transactions conducted in October 1998, August 1999, September 1999, October 1999, and December 1999). Subsequently, after the acquisition of 2,755,400 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,274,000 shares) as of September 30, 1998: 52.24%; the date and time of acquisition and the method of acquisition are unknown), at the time when the Target's Stock went public over the counter in October 1998, sold 305,000 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,274,000 shares) as of September 30, 1998: 5.78%) by way of equity offering (the counterparty is unknown; the same shall apply to the sales in August 1999, September 1999, December 1999, March 2000, April 2000, and February 2004). Subsequently, the Company sold 30,000 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,774,000 shares) as of June 30, 1999: 0.52%) in August 1999 (the method of sale is unknown; the same shall apply to the sales in August

1999, September 1999, December 1999, March 2000, April 2000, and February 2004), sold 30,000 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,774,000 shares) as of September 30, 1999: 0.52%) in September 1999, acquired 4,704 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,791,920 shares) as of October 1, 1999: 0.08%) as an allocation of consideration in connection with the merger between the Target and Teleguide Japan in October 1999, and sold 200,000 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,791,920 shares) as of December 9, 1999: 3.45%) in December 1999, 185,000 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,791,920 shares) less 14 shares of treasury shares, both as of March 31, 2000: 3.19%) in March 2000, and 24 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,791,920 shares) less 14 shares of treasury shares, both as of March 31, 2000: 0.0%) in April 2000. As a result, the Company has come to own 2,014,680 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,791,920 shares) less 14 shares of treasury shares, both as of September 18, 2000: 34.78%). Subsequently, in February 2004, the Company sold 39,080 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares (5,791,920 shares) less 30,450 shares of treasury shares, both as of February 12, 2004: 0.68%), acquired 3,951,200 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares as of April 1, 2006 (17,375,760 shares): 22.74%; as the number of treasury shares as of the same date is unknown, the percentage of the total number of shares outstanding is indicated) following a 3:1 split of the Target's Stock made on April 1, 2006, acquired 5,926,800 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares as of February 1, 2008 (34,751,520 shares): 17.05%; as the number of treasury shares as of the same date is unknown, the percentage of the total number of shares outstanding is indicated) following a 2:1 split of the Target's Stock made on February 1, 2008, and acquired 11,853,600 shares of the Target's Stock (shareholding ratio to the total number of outstanding shares as of October 1, 2011 (69,503,040 shares): 17.05%; as the number of treasury shares as of the same date is unknown, the percentage of the total number of shares outstanding is indicated) following a 2:1 split of the Target's Stock made on October 1, 2011. The Company currently owns 23,707,200 shares of the Target's Stock (ownership ratio: 36.56%), and the Target is an equity method affiliate of the Company. From a business perspective, the Target provides contact center services to the Company Group, and the Company Group and the Target Group have been establishing relationships as mutually important business partners. In addition, the Target has accepted 10 employees of the Company on secondment.

In December 2008, the Company and the Target made a joint investment in MOCAP Limited,

a company providing services related to contact center operation, market research, and back-office data processing in Thailand. Further, in November 2009, MOCAP Vietnam Joint Stock Company, an outsourcing business operator providing market research and back-office data processing services, was jointly established with Smart Media Joint Stock Company in Vietnam, and in 2017, the Target acquired the shares of MOCAP Vietnam Joint Stock Company from the Company, Smart Media Joint Stock Company, and Harvey Nash, making MOCAP Vietnam a wholly-owned subsidiary.

In recent years, the BPO industry's market has been expanding owing to a shortage of human resources caused by a decrease in the working population due to the declining birthrate and aging population, and a decrease in the amount of business processing due to work style reforms. The need for DX is increasing in various aspects of companies and society, such as the need to improve cost competitiveness and promote labor efficiency through the introduction of digital solutions, and the further acceleration of digitalization of BPO is becoming notable. In particular, as labor costs continue to rise, BPO unit prices are on the rise. As the required business activities expand from routine tasks to multitasking and specialized fields, BPO unit prices are expected to rise to a certain extent in the future. Against this backdrop, vendors in the BPO industry are expanding the scope of their outsourcing services with the aim of supporting the provision of CX and increasing added value in their business processes through the introduction of BPaaS (Note 6) and the implementation of business improvement consulting services, and the BPO industry itself is entering a period of structural change. In particular, in the contact center industry in which the Target conducts business, the market is expanding both in Japan and overseas (Note 8) owing to the increase in textual communication without paper media due to the spread of demand for contactless channels triggered by the COVID-19 pandemic and the capture of demand for inquiry contact points due to the progress of the adoption of EC (Note 7), and the market is expected to remain strong in the future as a result of increasing labor shortages and rising labor costs. In addition, in the back-office BPO (Note 9) industry, the market is also expanding (Note 10) due to factors such as worsening labor shortages and increasing demand for outsourcing to strengthen cost competitiveness. On the one hand, in the BPO industry, there is an increasing oligopoly of businesses that can provide services that meet diversified customer needs by expanding the business base that entails capital investment, and the competitive environment among companies is expected to further intensify.

(Note 6) "BPaaS" stands for Business Process as a Service, and means a cloud computing based service that outsources and centrally manages existing business processes.

(Note 7) "EC" stands for Electronic Commerce, and means buying and selling goods and services on the Internet generally.

(Note 8) Source: "Call Center Market 2021" by Yano Research Institute Ltd. (released on October 28, 2021), and "FY2020 Industrial and Economic Research Service (Market Research on E-commerce) Report" by Ministry of Economy, Trade and Industry (released on July 30, 2021)

(Note 9) "Back-office BPO" means outsourcing of indirect operations (e.g., application acceptance processing, input, fee calculation, contract management, etc.).

(Note 10) Source: "BPO Market 2021-2022" by Yano Research Institute Ltd. (released on October 27, 2021)

As a result of the aforementioned expansion in the size of the contact center and BPO markets, sales of competitors in the industry are considered to be on an upward trend. However, sales of the Target decreased for 2 consecutive years, to 128.7 billion yen in 2019, 127.6 billion yen in 2020, and 117.9 billion yen in 2021. In the BPO industry, the Company recognizes that end users and partner companies tend to place importance on corporate information, including business size and financial standing, and industry rankings in selecting vendors by referring to publicly available information of each vendor. However, following changes in the market of the contact center and BPO industries and changes in the business models of competitors, competition for BPO projects is expected to intensify in the future and, therefore, the Company believes that further enhancement of competitiveness through expansion of the Target's scale is necessary.

In addition, with respect to the Target, given the recent social and economic circumstances in which the Target is undergoing changes in communication channels due to the spread of COVID-19 and changes in the demand structure aiming at labor efficiency improvement triggered by a decrease in the working population and work style reforms, the Company recognizes that it is urgently necessary to change its business model to a digital BPO (Note 11) by, for example, responding to the flow of DX promotion in companies and administrative organizations and to an effective and efficient business format based on the provision of services utilizing digital technologies.

(Note 11) "Digital BPO" means a BPO method whereby a series of outsourced operations are outsourced not only by human resources but also by utilizing digital technologies such as AI to achieve greater efficiency in outsourced operations.

In order to respond to such changes in the business environment and achieve sustainable growth, the Company believes that it is necessary to enhance the Target's growth strategy by strengthening its service lineup utilizing digital solutions and its ability to propose optimal outsourcing services to customers, and to enhance its presence in the BPO industry by utilizing such capabilities and expanding its track record of providing value-added BPO services not only to the existing back office operations but also to the entire operation, including the middle and front offices of customers. Furthermore, while the back-office BPO services provided by the Target have a track record in the public works, and electric power and public sector, the Company believes that there is room for growth by accumulating a track record of winning projects through business expansion across the board for customers in other sectors.

Although the Company had been working to enhance its competitiveness through the exchange of management information and personnel and technical exchanges with the Target, in order for the Target Group to overcome such changes in the business environment and maintain and expand its advantageous position in the BPO industry, the Company further recognizes there is a need for the Company Group to strengthen its involvement in the management. At the same time, the Company has repeatedly considered management strategies with the aim of increasing the Target's various possible corporate values, including a business alliance with partner to complement the expansion of its business and organization and a management integration and M&A transactions as part thereof.

Under such circumstances, in December 7, 2021, the Company received a proposal from KDDI for strategic alliance discussions between the Target and KDDI Evolva. KDDI Evolva is a wholly-owned subsidiary of KDDI, which is at the center of the growth strategy of the KDDI Group and provides BPO services centered on contact centers. According to KDDI, it believes that, with the promotion of DX as an opportunity, KDDI Evolva needs to reform its business model to lead to more efficient business operations. The Company was explained by KDDI that in response to the above change in business model in the contact center/BPO markets, where the Target and KDDI Evolva operate, it believes that, through the business alliance between the Target and KDDI Evolva, it can reform the Target's and KDDI Evolva's business models and thereby aim for the growth of the Target's and KDDI Evolva's businesses.

Based on information gained through research on KDDI Evolva through public information and interviews at conferences, the Company became aware that KDDI Evolva has a strong foundation and superior performance as one of the Target's specific strategic partner candidates. Therefore, from December 22, 2021, the Company began dialogue with KDDI in

order to explore the possibility of an M&A transaction, including a business alliance. During these dialogues, the Company discussed the structure of the business alliance, including the tentative business strategy, strategic alliance, minority investment, joint venture, and management integration with respect to the businesses of both the Target and KDDI Evolva. Through these discussions, the Company was able to deepen the understanding of KDDI Evolva's businesses and deepen the awareness that the integration of the Target and KDDI Evolva will lead to the maximization of the corporate value of both companies and the interests of their customers by expanding the provision of high-quality services, improving the level of services provided to end users and partner companies, and streamlining the sales structure. Based on this initial strategic discussion, in late December 2021, the Company decided to enter into discussions with KDDI regarding a strategic alliance that would include a potential integration of KDDI Evolva with the Target. Subsequently, the Company held multiple discussions with KDDI during the period from late December of 2021 to early July of 2022. As a result, the Company understood and evaluated KDDI Evolva's stable customer base, ability to acquire customers in collaboration with KDDI's corporate sales in order to acquire deals, and knowledge of digital solutions, and deepened discussions on the possibility of creating synergies, and then it came to have a strong interest in the strategic benefits to be gained from the business integration of the Target and KDDI Evolva.

In the course of the above discussions and examination with KDDI, the Company appointed Anderson Mōri & Tomotsune as a legal advisor in mid-March of 2022 and Nomura Securities Co., Ltd. ("Nomura Securities") as a financial advisor and a third-party valuator in late March of 2022, each independent of the Company, KDDI, the Target, and KDDI Evolva, and then commenced, together with KDDI, initial consideration and discussions regarding the business integration of the Target and KDDI Evolva from late April of 2022, and considered with experts the transaction methods that would achieve the Business Integration. Subsequently, based on the results of such consideration and discussions and the advice obtained from experts, in early July of 2022, the Company and KDDI concluded that (i) for listed companies with general shareholders, there are practical and legal restrictions to integrate the organizations of the Target and KDDI Evolva and develop business strategies, communication channels and daily cooperation are limited from the viewpoint of confidentiality, and potential conflicts of interest with general shareholders may arise even in decision making which is the most suitable for the Integrated Company Group; therefore, it is impossible to share information and ideas seamlessly in a business integration with KDDI Evolva by developing a business strategy or making a subsidiary on the premise of maintaining the listing, and the Integrated Company must be an unlisted company; however, if the Target carries out a business integration with KDDI Evolva while remaining a listed

company, and then goes private, the process of the business integration will become very complicated; (ii) it would be possible to offer shareholders of the Target an opportunity to sell their shares at a price equal to premium to the market price of the Target's Stock if the Company implements a tender offer as a means of implementing the Business Integration and sets the terms of implementation of the tender offer, including the tender offer price, at a level that allows general shareholders to receive a higher return on profits than the sale of their shares in the market; (iii) it would be better for a special purpose acquisition company to be newly established for the purpose of the tender offer, rather than for the Company, to launch the tender offer, in order to commence the tender offer as soon as it obtains the approval of the competition authorities; but on the other hand, and (iv) if the Company and a special purpose acquisition company to be newly established for the purpose of the tender offer hold the Target's Stock separately, both companies will be required to exercise their respective rights as a shareholder and the procedures will become complicated, and if the Company holds all of the Target's Stock (excluding treasury shares owned by the Target) before the integration of the Target and KDDI Evolva, the Company will be able to directly exercise its rights as a shareholder flexibly in proportion to its voting rights ratio in the Integrated Company after the business integration of the Target and KDDI Evolva; and that the acquisition by the Company of all of the Target's Stock (excluding treasury shares owned by the Target) through the Tender Offer and the Squeeze-out Procedure, as well as through the Merger No. 1, and the integration of the Target and KDDI Evolva through the Merger No. 2, would be the best option as a transaction method aimed at building a system that enables the Target Group to flexibly implement management measures that are deemed necessary to enhance the Integrated Company Group's competitiveness in the medium to long term, and it will become possible to establish a structure that allows only the Company and KDDI to support the management and business operations of the Integrated Company as shareholders as a result of the business integration of said two companies. The Company and KDDI have held regular weekly meetings since early January 2022 up until today to regularly discuss matters such as the implementation policy and transaction terms of the Business Integration, and the management policy and management structure after the Business Integration. For details of the management policy and management structure after the Business Integration, see "(II) Management policy after the Tender Offer" below and "(III) Shareholders Agreement" under "(6) Material agreements relating to the Tender Offer" below.

The Company is concerned that if the Target continues to operate as an independent entity under the current business environment of the Target where there are challenges in the provision of services utilizing the aforementioned digital solutions that respond to DX and the provision of services accompanying fundamental business reforms, the management

resources such as capital required for investment, personnel engaged in research and development, and ideas for promoting DX will be limited, which will make it difficult to expand the service portfolio in response to changes in the industry structure and implement measures such as strengthening the sales organization structure sufficiently and continuously. The Company believes that by the acquisition by the Company of all of the Target's Stock (excluding treasury shares owned by the Target) through the Tender Offer and the Squeeze-out Procedure, as well as through the Merger No. 1, and then integrating the Target with KDDI Evolva and establishing a structure that allows only the Company and KDDI to support the management and business operations of the Integrated Company as shareholders, it will be able to utilize KDDI Evolva's knowledge of digital solutions and solve these issues by making more management resources available as an integrated company group. In addition, according to KDDI, KDDI Evolva believes that the Target's customer base in the public works, and electric power and financial industries, as well as the overseas expansion of the Contact Center Business, mainly in North America, will complement KDDI Evolva's customer portfolio and contribute to expanding KDDI Evolva's market share overseas. The Company believes that such cooperation between the Target and KDDI Evolva will enable the Integrated Company to maintain and expand its superior position in the domestic and overseas contact center markets, and will enable the Integrated Company to expand sales in the domestic and overseas contact center markets more quickly. Therefore, the Company has determined that it is appropriate to proceed with the integration of the Target and KDDI Evolva at this timing. Accordingly, the Company and KDDI submitted a non-legally binding letter of intent to the Target on July 15, 2022, proposing that they would like to commence a tender offer for the Target's Stock, the Squeeze-out Procedure, and review and discuss the implementation of a business integration between the Target and KDDI Evolva thereafter (the "Proposal").

In response, according to the Target, the Target received a proposal from the Company and KDDI in mid-July 2022, and, taking this as an opportunity, appointed SMBC Nikko Securities Inc. ("SMBC Nikko Securities") as a financial advisor and a third-party valuator and Mori Hamada & Matsumoto as an outside legal advisor, each independent of the Company, KDDI, KDDI Evolva, and the Target, in order to consider, among other things, whether or not to commence consultations with KDDI and KDDI Evolva and the implementation of the Transaction and the Business Integration and to conduct negotiations with the Company, KDDI, and KDDI Evolva regarding the Transaction and the Business Integration. The Target held interviews twice on August 5, 2022 and August 17, 2022 among the Target, the Company, and KDDI, and held hearings with regard to the premise of the Proposal and the management policies. In addition, on August 27, 2022, the Target passed a

resolution to establish a special committee (the "Special Committee;" for the process for establishment of the Special Committee, process for consideration thereof, and details of determination thereof, see " (II) Establishment of independent special committee at the Target and procurement of written report from the said committee" under "(3) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflict of interest" below) consisting of Independent Outside Directors and Outside Audit & Supervisory Board Members to consider and negotiate the Transaction from a standpoint independent from the Company and KDDI. The Special Committee approved the appointment of SMBC Nikko Securities as the Target's financial advisor and third-party valuator and Mori Hamada & Matsumoto as the Target's legal advisor, and established a system for discussion and negotiation regarding the Tender Offer.

According to the Target, the Target responded to the Company and KDDI on August 30, 2022 that it would consider the Proposal, and granted the Company and KDDI permission to conduct due diligence on the Target. From late September 2022 to early December of 2022, the Company conducted due diligence on the Target and KDDI Evolva, and KDDI conducted due diligence on the Target, for the purpose of deepening their understanding of each company's businesses and studying the probability of integration synergies, as well as for the purpose of confirming relevant areas such as accounting, tax, business, legal affairs, personnel and labor affairs, and IT. Through discussions with the Target and KDDI Evolva regarding their respective future business prospects, and discussions with the Target regarding its future business prospects, the Company and KDDI have deepened their respective understanding of individual management guidelines and targets of the Target and KDDI Evolva, respectively, and have continued discussions regarding, among other things, the purpose of the Business Integration, including the Tender Offer, the management structure and policies after the Business Integration, and the terms and conditions of the Business Integration, by confirming the probability of creating corporate value through the integration. Specifically, with respect to the purpose of the Business Integration, from the perspective of maximizing the corporate value of the Integrated Company Group, the Company and KDDI have studied and analyzed synergies that could be generated by integrating both the Target and KDDI Evolva and building a cooperative structure between the Company Group and the KDDI Group. With regard to the management policy and management structure after the Business Integration, from the standpoint of a spirit of equality, discussions were held regarding the details of the rights and obligations held by the shareholders of the Company and KDDI toward the Integrated Company, as well as the details of the governance structure of the Integrated Company. With regard to the terms and conditions of the Business Integration, the Company and KDDI have reviewed the terms and conditions of the Tender

Offer and the timetable for the Business Integration.

Through due diligence and various analyses of the Target's and KDDI Evolva's management objectives, as well as discussions with KDDI regarding the possibility of creating corporate value through the integration of the Target and KDDI Evolva, the Company believes that the Business Integration will enable the Target and KDDI Evolva to achieve mid- to long-term growth and an increase in the corporate value of the Target and KDDI Evolva, as well as to deliver high value to all stakeholders of the Target and KDDI Evolva, such as general shareholders, employees, and business partners, by expanding the provision of high-quality services, improving the service level and lineup of services to end users and partner companies, and streamlining the sales structure, in a manner that is different from the manner in which the Target and KDDI Evolva conduct business independently. Specifically, the Company believes that the Business Integration will not only improve operational efficiency and reduce costs, but will also strengthen its competitiveness in the digital BPO industry, where customer needs are expected to increase in the future, and establish itself as a contact center player, by combining the Target's strengths in operational design and operational capabilities with KDDI Evolva's track record of winning projects in the omnichannel field and its capabilities within the Group. As a result of the due diligence and other acts described above, the Target and KDDI Evolva have a high degree of similarity in their business forms, management policies, and organizational cultures, and both companies have excellent business performance in the BPO market and strong business foundations, and accordingly, the Company and KDDI strengthened their belief that the Target is the best strategic partner for both of them. In addition, the Company and KDDI have held repeated discussions regarding the voting rights ownership ratio of KDDI and the Company in the Integrated Company after the Business Integration, through the venue of the weekly meetings mentioned above and through timely communication by telephone and email since early January of 2022, when the two companies started discussions regarding the Business Integration. In accordance with the business integration philosophy of a spirit of equality, the Company and KDDI agreed in late November of 2022 to increase the voting rights ownership ratios of KDDI and the Company to 51.0% and 49.0%, respectively, after the Business Integration, in order to maximize each other's respect for the corporate culture and management autonomy fostered by the Target and KDDI Evolva, respectively, to continue to engage in the BPO business as a core business, and to enable KDDI, which has held KDDI Evolva as an important subsidiary, to maintain KDDI Evolva merged with the Target through the Merger No. 2 (= the Integrated Company) as a consolidated subsidiary and continue to be involved in the management of the Integrated Company as the KDDI Group as the parent company of the Integrated Company, and to enable the Company to increase the ownership

ratio in the Target's Stock through the Business Integration and further strengthen cooperation with the Target merged with KDDI Evolva through the Merger No. 2 (= the Integrated Company) by implementing the business integration based on a spirit of equality. With respect to the structure of the Tender Offer, the Company and KDDI have concluded that it is appropriate to realize a simple structure, from the perspective of the certainty of execution of transactions and the simplicity of the procedures, by having the special purpose acquisition company to be solely established by the Company act as the entity that will execute the Tender Offer, rather than the Company and KDDI jointly conducting the Tender Offer. Based on the above discussion, on November 22, 2022, the Company and KDDI submitted to the Target an initial non-legally binding proposal (the "Initial Proposal") proposing to implement the Business Integration based on the scheme of tender offer and squeeze-out procedure for the Target's Stock by the special purpose acquisition company to be solely established by the Company.

After the Business Integration, the Company will, while giving maximum respect to the corporate culture and management autonomy cultivated by the Target, continue to support the Target Group and KDDI Evolva through discussions between the Company and KDDI based on a spirit of equality, in order to ensure the sustainable growth of the Integrated Company Group, to increase the added value of the Target Group and KDDI Evolva in a wide range of areas through the Business Integration, and to demonstrate synergies including the matters described below.

(i) Strengthening competitiveness through promotion of digital BPO

- Target and KDDI Evolva will mutually collaborate in order to further strengthen competitiveness with a focus on digital BPO and to build a foundation for business transformation. In the KDDI Group, KDDI Digital Design Inc., Supership Holdings Inc., ARISE analytics, inc. and irect, Inc. have the functions to support CRM processes, such as formulation of plans for the entire business process, detailed examination of operations, and deployment plans, etc., and utilization of digital technologies. The Target has the functions to promote DX at the customer contact point of the client companies through the development and provision of services utilizing digital tools at the DX Strategic Headquarters and Relia Digital Inc. By complementing each other with these functions owned by Target and the KDDI Group to which KDDI Evolva belongs, the Integrated Company would be able to facilitate the provision of services for supporting customers' business processes through digital BPO and aim to further enhance its presence in the BPO industry.

- Specific initiatives envisaged for the promotion of digital BPO by the Integrated Company in the contact center area include building a cloud platform and facilitating the operation of contact centers by utilizing digital technologies such as IoT and artificial intelligence (AI). In the back office area, acceleration of the deployment of domain-specific BPOs, which are BPOs designed for outsourcing specific specialized tasks, is expected.

- With a view to expanding competitiveness of the Integrated Company over the medium to long term, the Integrated Company will consider acquiring operational know-how and knowledge from outside through promotion of proactive investment such as M&As with medium-scale business operators that would contribute to the realization of digital BPO and business collaboration with companies that provide DX promotion services as their business.

(ii) Streamlining and cost reduction of organizational structure for sales

- By gathering information on the business operation of the entire company and information on the operating status of individual contact centers at the headquarters, the Integrated Company will seek to establish an organizational structure in which it is able to make business judgments from the viewpoint of cost optimization with respect to matters such as opening or integration of contact centers, proposal of projects, and cost estimates, and allocate operation bases and personnel for outsourced projects and accumulate knowledge efficiently on a company-wide basis. The Business Integration will enable the Target and KDDI Evolva to reduce various costs by consolidating and eliminating their respective business locations, improving the efficiency of advertising expenses through the integration of recruitment and marketing activities, and integrating systems used in business operations. By allocating the amount of the reduced costs to new projects, sales and operating profit can be expected to increase.

- By integrating the sales functions of the Target and KDDI Evolva, the Integrated Company will be able to secure appropriate sales resources and appropriate number of operational staff and to better allocate operational staff. It would also be possible to further improve profitability and create synergies in the recruitment and development of human resources through transactions with customers in a wider range of industries and business categories, streamlining of operations, and increased productivity. In addition, by integrating the corporate functions of both companies, it will be possible to reassign the existing corporate staff of both companies to supplement those in the business units of the Integrated Company.

- Delisting of the Target's Stock through the Transaction is expected to reduce the Target's costs and operational burden associated with the systems for maintaining its listing.

(iii) Cross-selling

- By providing the Target's services to KDDI Evolva's existing customers and providing KDDI Evolva's services to the Target's existing customers, the Integrated Company Group will promote business development in an integrated manner. A specific approach that is being considered is to provide KDDI Evolva's engineer dispatching services to the Target's existing customers. In addition, an increase in sales is expected through overseas expansion of the contact center business by making the Target's overseas contact centers available to KDDI Evolva's existing customers.

- The combination of the brand powers and presences of the Target and KDDI Evolva in the contact center and BPO projects is expected to attract new customers and increase inquiries for new projects from existing customers and lead to an increase in sales.

(iv) Creating a cloud integration hub

The Integrated Company will create a hub for centrally managing and utilizing data scattered across multiple cloud environments to facilitate cloud migration of the contact centers. This would enable the Integrated Company to make a greater investment than when the Target implements the cloud migration alone, and is thus expected to facilitate the cloud migration more efficiently. As a result of the creation of the cloud integration hub, cost reduction through the streamlining of the operation of the contact center business and an increase in sales through external sale of the cloud integration hub can be expected.

In order to achieve the above synergies, the Company believes that it is essential to implement the Business Integration and create an environment in which the Integrated Company's management has flexibility with respect to its decision making. More specifically, if the Target remains a listed company with general shareholders, there will be practical and legal restrictions on the organizational integration of the Target and KDDI Evolva and the implementation of the business strategies. In addition, communication channels and day-to-day cooperation will also be limited due to confidentiality reasons, and decision making may give rise to potential conflicts of interests with general shareholders even if it is optimal for the Integrated Company Group. Therefore, seamless sharing of information and ideas would

be impossible in the case of implementation of business strategies with KDDI Evolva or business integration with KDDI Evolva by making the Target a subsidiary on the premise of maintaining the Target's listing, and the Target believes that it is essential to take the Target's Stock private. In addition, by integrating the Target and KDDI Evolva into a group, the management and employees of the Integrated Company Group will be able to move freely between organizations, openly share best practices, support investments in service technology innovation and intellectual property development, invest in growth with a focus on digitalization, and create business synergies with both the Company Group and the KDDI Group, without being subject to practical and legal restrictions or conflicts of interest with general shareholders. While going private and eliminating potential conflicts of interest with general shareholders would make communication between the Company and KDDI and the Target easier, if the business strategies with KDDI Evolva or business integration with KDDI Evolva is implemented by making the Target a subsidiary on the premise of maintaining the Target's listing, it would be difficult to share business information without restrictions and to support investment in service technology innovation and new technology development in the same manner.

Based on the above-mentioned process of considerations at the Company and discussions and negotiations with KDDI, even after the submission of the Initial Proposal on November 22, 2022, from the perspective of maximizing the corporate value of the Integrated Company Group, the Company continued to discuss and negotiate with KDDI the implementation of the Business Integration, terms and conditions of the transaction (including details of the transaction structure such as the terms and conditions of the Tender Offer and the timetable for the Business Integration), and plans for management and business operation after the Business Integration (including the details of the governance structure of the Integrated Company based on a spirit of equality, the rights and obligations held by the shareholders of the Company and KDDI toward the Integrated Company, and the policy for involvement in the Integrated Company), through the venue of the weekly meetings mentioned above and through timely communication by telephone and email, and on December 6, 2022, the Company submitted to the Target a non-legally binding written proposal (the "First Proposal") setting forth the tender offer price (the "Tender Offer Price") in the Tender Offer. The Company conducted a multifaceted and comprehensive analysis of the Target's business, finance and future plans, and determined the Tender Offer Price to be 1,300 yen in the First Proposal, since the Tender Offer Price of 1,300 yen reflected a premium over the market price of the Target's Stock of (a) 29.10% over the closing price (1,007 yen) of the Target's Stock on the Prime Market of the TSE as of December 2, 2022 (rounded to the whole number; hereinafter the same in calculation of the premiums), (b) 26.83% over the simple average

closing price (1,025 yen) on the Prime Market of the TSE for the one (1) month ending December 2, 2022 (rounded to the second decimal place; hereinafter the same in calculation of the simple average closing prices), (c) 30.78% over the simple average closing price (994 yen) on the Prime Market of the TSE for the three (3) months ending December 2, 2022, and (d) 25.97% over the simple average closing price (1,032 yen) on the Prime Market of the TSE for the six (6) months ending December 2, 2022, and was a price that is not disadvantageous to the Target's shareholders (for specific basis of calculation, see "(4) Basis of calculation of the price of tender offer" under "2. Summary of Tender Offer").

Following the submission of the First Proposal, on December 9, 2022, the Company received a request from the Target and the Special Committee to reconsider the Tender Offer Price in the First Proposal for the reason that the Target and the Special Committee determined that the Tender Offer Price in the First Proposal did not reach a sufficient level for the Target to resolve to express an opinion in support of the Tender Offer to the minority shareholders of the Target. In response to the request from the Target and the Special Committee, the Company and KDDI held sincere discussions and negotiations on the terms and conditions of the Transaction, and on December 19, 2022, the Company made a reproposal to the Target and the Special Committee (the "Second Proposal") to set the Tender Offer Price at 1,375 yen per share (the premium over the market price of the Target's Stock as of December 16, 2022 is (a) 35.07% over the closing price (1,018 yen) on the same date, (b) 34.80% over the simple average closing price (1,020 yen) for the one (1) month ending December 16, 2022, (c) 37.91% over the simple average closing price (997 yen) for the three (3) months ending December 16, 2022, and (d) 33.89% over the simple average closing price (1,027 yen) for the six (6) months ending December 16, 2022).

Following the submission of the Second Proposal, on December 23, 2022, the Company received a request from the Target and the Special Committee to increase the Tender Offer Price in the Second Proposal to 1,640 yen per share for the reason that the Tender Offer Price in the Second Proposal still did not reach a sufficient level for the Target to resolve to express an opinion in support of the Tender Offer to the minority shareholders of the Target. In response to the request from the Target and the Special Committee, the Company and KDDI held sincere discussions and negotiations on the terms and conditions of the Transaction, and on December 28, 2022, the Company made a reproposal to the Target and the Special Committee (the "Third Proposal") to set the Tender Offer Price at 1,440 yen per share (the premium over the market price of the Target's Stock as of December 27, 2022 is (a) 40.63% over the closing price (1,024 yen) on the same date, (b) 42.01% over the simple average closing price (1,014 yen) for the one (1) month ending December 27, 2022, (c) 44.14% over

the simple average closing price (999 yen) for the three (3) months ending December 27, 2022, and (d) 40.49% over the simple average closing price (1,025 yen) for the six (6) months ending December 27, 2022).

Following the submission of the Third Proposal, on December 30, 2022, the Company received a request from the Target and the Special Committee to increase the Tender Offer Price in the Third Proposal to 1,530 yen per share from the viewpoint of securing transaction terms that are as favorable as possible for the minority shareholders of the Target. In response to the request from the Target and the Special Committee, the Company and KDDI held sincere discussions and negotiations on the terms and conditions of the Transaction, and on January 6, 2023, the Company made a reproposal to the Target and the Special Committee (the "Fourth Proposal") to set the Tender Offer Price at 1,460 yen per share (the premium over the market price of the Target's Stock as of January 5, 2023 is (a) 49.13% over the closing price (979 yen) on January 5, 2023, (b) 44.84% over the simple average closing price (1,008 yen) for the one (1) month ending January 5, 2023, (c) 45.56% over the simple average closing price (1,003 yen) for the three (3) months ending January 5, 2023, and (d) 42.86% over the simple average closing price (1,022 yen) for the six (6) months ending January 5, 2023).

Following the submission of the Fourth Proposal, on January 10, 2023, the Company received a request from the Target and the Special Committee to increase the Tender Offer Price in the Fourth Proposal to 1,480 yen per share from the viewpoint of securing transaction terms that are as favorable as possible for the minority shareholders of the Target. In response to the request from the Target and the Special Committee, the Company and KDDI held sincere discussions and negotiations on the terms and conditions of the Transaction, and on January 11, 2023, the Company made a reproposal to the Target and the Special Committee (the "Final Proposal") to set the Tender Offer Price at 1,465 yen per share (the premium over the market price of the Target's Stock as of January 10, 2023 is (a) 51.03% over the closing price (970 yen) on January 10, 2023, (b) 45.63% over the simple average closing price (1,006 yen) for the one (1) month ending January 10, 2023, (c) 45.92% over the simple average closing price (1,004 yen) for the three (3) months ending January 10, 2023, and (d) 43.77% over the simple average closing price (1,019 yen) for the six (6) months ending January 10, 2023).

On January 11, 2023, following the submission of the Final Proposal, the Company received a response from the Target and the Special Committee agreeing to set the Tender Offer Price at 1,465 yen, as the Special Committee carefully examined the proposed price in the Final

Proposal and believes that it is at a level that can gain broad understanding and support from its minority shareholders and other stakeholders.

As a result of the above discussions and negotiations, on January 11, 2023, the Company, KDDI, and the Target reached an agreement on the Tender Offer Price of 1,465 yen per share. As of today, the Company and KDDI executed the Basic Transaction Agreement and the Shareholders Agreement, and decided that the Offeror will conduct the Tender Offer for all of the Target's Stock (excluding the Target's Stock held by the Company and the treasury shares held by the Target) for the purpose of the Business Integration subject to the satisfaction (or waiver by the Company and KDDI) of the Preconditions.

In addition, the Company and KDDI have executed the Basic Transaction Agreement as of today and the Offeror has executed the Tender Agreement with Central Security Patrols as of today in order to implement the Transaction. With Central Security Patrols, the Company held an interview on December 2, 2022 to provide explanations concerning the Transaction and to sound out the possibility of executing a tender agreement, and held another interview on December 7, 2022 to begin negotiations on the execution of the Tender Agreement. The Company held discussions and negotiations on the terms of the Tender Agreement with Central Security Patrols by email, and on January 12, 2023, the Company notified Central Security Patrols that the Tender Offer Price is scheduled to be 1,465 yen and received the response that it is acceptable to enter into the Tender Agreement and to tender shares in the Tender Offer at such price. Therefore, the Company executed today the Tender Agreement with Central Security Patrols.

If the Tender Offer is successfully completed, the Offeror intends to raise funds for settlement of the Tender Offer by receiving investment from the Company by way of third-party allotment by the business day immediately preceding the commencement date of settlement of the Tender Offer. In addition, around March 2023, when the Tender Offer is intended to be commenced, prior to the commencement of the Tender Offer, the Company will submit to Offeror a certificate of investment to the effect that it will provide Offeror with funds for settlement of the Tender Offer through the above-mentioned investment.

(II) Management policy after the Tender Offer

As described in "(1) Outline of the Tender Offer" above, pursuant to the Basic Transaction Agreement executed as of today, the Company intends to make the Offeror Parties the sole shareholders of the Target if the Tender Offer is successfully completed. After making the Offeror Parties the sole shareholders of the Target through the Squeeze-out Procedure, the

Merger No. 1 will be implemented between the Target and the Offeror, and after the entry into force of the Merger No. 1, the Merger No. 2 will be implemented between the Target and KDDI Evolva. Upon completion of the Business Integration, including the series of transactions described above, the Target will proceed with the integration with KDDI Evolva and realize sustainable growth and maximization of corporate value of the Integrated Company Group as a whole.

After successful completion of the Business Integration, in order to realize a smooth integration and maximize the corporate value of the Integrated Company Group, the Integrated Company Group will implement various measures with the aim of achieving the objective of realizing No.1 contact center in Japan and becoming Japan's largest digital BPO business operator that serves the needs of all industries by synergy between human and digital technologies, making use of its customer base and business assets with a spirit of equality, thereby maximizing the corporate value of the Integrated Company.

In the Shareholders Agreement executed between the Company and KDDI as of today (the "Shareholders Agreement"), the Company and KDDI have agreed that the Company will nominate and elect five (5) directors and KDDI will nominate and elect six (6) directors of the Integrated Company after the Business Integration, but the specific candidates have not been determined as of today. Other details on the management policies of the Integrated Company after the Business Integration have not been determined as of today, but the Company and KDDI, as well as the Target and KDDI Evolva, will consult with each other to establish a system that will maximize the corporate value of the Integrated Company.

The Company has also agreed with KDDI on specific matters such as governance and operation of the Integrated Company after the Business Integration, based on the Shareholders Agreement. For details on the Shareholders Agreement, see "(III) Shareholders Agreement" under "(6) Material agreements relating to the Tender Offer" below.

(III) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Target

(i) Background of proposal by the Offeror Parties and establishment of a review system

According to the Target, as described in "(I) Background, purposes, and decision-making process leading to the implementation of the Tender Offer by the Offeror" above, upon the receipt of the Proposal on July 15, 2022, the Target appointed SMBC Nikko Securities as its financial advisor and third-party valuator independent from the

Company, KDDI and KDDI Evolva, and the Target with respect to the Transaction, after examining the expertise and past performances of SMBC Nikko Securities, to receive advice and assistance from a financial perspective, including advice on the calculation of the value of the Target's Stock and the policy for negotiation with the Company, and appointed Mori Hamada & Matsumoto as its external legal advisor, after examining the expertise and past performances of Mori Hamada & Matsumoto, to receive legal advice including advice on the measures to be taken to ensure the fairness of the procedures for the Transaction, the procedures for the Transaction and the method and process of decision-making by the Target concerning the Transaction. Then, after holding interviews twice on August 5, 2022 and August 17, 2022 among the Target, the Company, and KDDI, and holding hearings with regard to the premise of the Proposal and the management policies, the Target replied on August 30 of the same year that it would review the Proposal. The Target is not a subsidiary of the Company or the special acquisition purpose company to be established as the Offeror in the Tender Offer, and the Tender Offer does not constitute a tender offer by the controlling shareholder. However, because the Company, which is the parent company of the Offeror, owns 23,707,200 shares of the Target's Stock (Shareholding Ratio: 36.56%) and the Target is an equity method affiliate of the Company, and the Transaction may fall under the type of transaction involving the issue of structural conflicts of interest and information asymmetry, in order to address these issues and ensure the fairness of the Transaction, the Target's board of directors, based on the advice of Mori Hamada & Matsumoto, immediately set about establishing a system to review, negotiate and make judgments regarding the Transaction from the perspective of enhancing the corporate value of the Target and securing the interests of the general shareholders of the Target, independent of the Company and KDDI.

More specifically, as described in "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee" under "(3) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflict of interests" below, the Target began preparations to establish the Special Committee comprised of the Target's Independent Outside Directors and Outside Audit & Supervisory Board Members in late July 2022. The Target then resolved at its board of directors meeting held on August 27 of the same year to establish the Special Committee consisting of three (3) members, Mr. Naonori Kimura (the Target's independent outside director), Mr. Junichi Kishigami (the Target's independent outside director) and Ms. Rika Kawaguchi (the Target's independent outside auditor), and requested the Special Committee to (i)

consider and advise the Target's board of directors on whether the Target's board of directors should support the Tender Offer and whether it should recommend that the Target's shareholders tender their shares in the Tender Offer, and (ii) consider whether the decision by the Target's board of directors regarding the Transaction would not be disadvantageous to the minority shareholders of the Target and express its opinion to the Target's board of directors (collectively, the "Items for Advice"). In establishing the Special Committee, the board of directors of the Target resolved that (i) the board of directors of the Target will conduct its decision making regarding the Transaction with the utmost respect for the Special Committee's judgment and (ii) if the Special Committee determines that the terms and conditions of the Transaction are not appropriate, the Target's board of directors will not support the Transaction. The board of directors of the Target also resolved that (i) the Special Committee will be substantially involved in the negotiation process between the Target and the Company, KDDI, and KDDI Evolva (including giving instructions or making requests regarding the policy of the negotiation with the Company, KDDI and KDDI Evolva and conducting negotiations with the Company, KDDI and KDDI Evolva on its own), (ii) when providing a report on the Items for Advice, if necessary, the Special Committee will appoint its own financial or legal advisors (in this case, the Target shall bear the expenses incurred by the Special Committee) or nominate or approve (including retrospective approval) financial or legal advisors of the Target, (iii) if necessary, the Special Committee will receive information necessary for the review and decision regarding the Transaction from officers and employees of the Target, and (iv) the board of directors of the Target will grant authority on the matters the Special Committee deems necessary for the review and decision regarding the Transaction (for the method of resolution of the Target's board of directors, see "(VI) Unanimous approval of all disinterested directors of the Target and the opinion of all disinterested auditors of the Target that they have no objection" under "(3) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflict of interests" below).

As described in "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee" under "(3) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflict of interests" below, the Target has also received approval from the Special Committee to appoint SMBC Nikko Securities as the financial advisor and third-party valuator of the Target, and Mori Hamada & Matsumoto as the legal advisor of the Target.

Furthermore, according to the Target, the Target has established a system within the Target to review, negotiate and make judgments regarding the Transaction independent from the Company, KDDI, and KDDI Evolva (including the scope and duties of the Target's officers and employees to be involved in the review, negotiation and judgments regarding the Transaction) and has received confirmation from the Special Committee that such review system has no problem from the perspectives of independence and fairness (for details on such review system, see "(V) Establishment of independent review system at the Target" under "(3) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflict of interests" below).

(ii) Process of review and negotiation

According to the Target, upon the receipt of the Proposal from the Company and KDDI on July 15 2022, the Target appointed SMBC Nikko Securities as its financial advisor and third-party valuator independent from the Company, KDDI and KDDI Evolva, and the Target, and appointed Mori Hamada & Matsumoto as its external legal advisor with respect to the Transaction, and, after holding interviews twice on August 5, 2022 and August 17, 2022 among the Target, the Company, and KDDI, and holding hearings with regard to the premise of the Proposal and the management policies, the Target replied on August 30 of the same year that it would review the Proposal. The Target then received from SMBC Nikko Securities a report on the results of valuation of the Target's Stock and advice on the policy of the negotiation with the Company, as well as legal advice from Mori Hamada & Matsumoto on measures to ensure the fairness of the procedures for the Transaction. Based on these, the Target carefully considered whether to implement the Transaction and whether the terms and conditions of the Transaction, including the Tender Offer Price, were appropriate.

As described above, the Target has held interviews twice on August 5, 2022 and August 17, 2022 among the Target, the Company, and KDDI and held hearings with regard to the premise of the Proposal and the management policies, and since September 2022, the Target has held discussions and negotiations with the Company and KDDI with respect to the significance and purpose of the Transaction and the plans for management and business operation after the Business Integration. More specifically, on October 10, 2022, the Target and the Special Committee sent a questionnaire concerning the Proposal and the Transaction to the Company, and on October 20, 2022, the Target received a response to the questionnaire verbally from the Company and confirmed the

intent of such response. On November 24, 2022, the Target received additional verbal explanations regarding the significance and purpose of the Transaction from the Company and KDDI. Based on these explanations and response, the Target sent an additional questionnaire to the Company and KDDI on December 5, 2022, received verbal explanations from the Company and KDDI on December 8, 2022, received a response on December 9, the immediately following day, and received additional explanations regarding the significance and purpose of the Transaction and the Business Integration on December 14, 2022.

Based on the above-mentioned discussions and negotiations with the Company and KDDI, the Target and the Special Committee examined whether to implement the Transaction and whether the terms and conditions of the Transaction were appropriate, and also received the First Proposal from the Company to set the Tender Offer Price at 1,300 yen.

Following the receipt of the First Proposal, on December 9, 2022, the Target and the Special Committee requested the Company to resubmit the Tender Offer Price for the reason that, based on the results of consideration by the Special Committee, the Target determined that the Tender Offer Price in the First Proposal did not reach a sufficient level for the Target to resolve to express an opinion in support of the Tender Offer to the minority shareholders of the Target.

After receiving the Second Proposal from the Company on December 19, 2022 to set the Tender Offer Price at 1,375 yen per share, the Target and the Special Committee, based on discussions with the Special Committee, made a request to the Company on December 23, 2022 to increase the Tender Offer Price to 1,640 yen per share for the reason that the Tender Offer Price still did not reach a sufficient level for the Target to resolve to express an opinion in support of the Tender Offer to the minority shareholders of the Target.

After receiving the Third Proposal from the Company on December 28, 2022 to set the Tender Offer Price at 1,440 yen per share, the Target and the Special Committee, based on discussions with the Special Committee, made a request to the Company on December 30, 2022 to increase the Tender Offer Price to 1,530 yen per share from the viewpoint of securing transaction terms that are as favorable as possible for the minority shareholders of the Target.

After receiving the Fourth Proposal from the Company on January 6, 2023 to set the

Tender Offer Price at 1,460 yen per share, the Target and the Special Committee, based on discussions with the Special Committee, made a request to the Company on January 10, 2023 to increase the Tender Offer Price to 1,480 yen per share from the viewpoint of securing transaction terms that are as favorable as possible for the minority shareholders of the Target.

The Target and the Special Committee received the Final Proposal from the Company on January 11, 2023 to set the Tender Offer Price at 1,465 yen per share. On January 11, 2023, the Target and the Special Committee, based on discussions with the Special Committee, made a response agreeing to set the Tender Offer Price at 1,465 yen, as the Special Committee carefully examined the proposed price in the Final Proposal and believes that it is at a level that can gain broad understanding and support from its minority shareholders and other stakeholders.

In the course of the review and negotiation described above, the Special Committee has received reports from the Target and the Target's advisors, confirmed such reports and expressed its opinions as appropriate. More specifically, the Target has received confirmation and approval from the Special Committee on the reasonableness of the content, material conditions precedent, and process of preparation of the business plan prepared by the Target for the period from the fiscal year ending March 2023 to the fiscal year ending March 2026 (the "Business Plan"). In addition, the Target's financial advisor has conducted negotiations with the Company in accordance with the policy of negotiation deliberated and determined by the Special Committee, and has immediately reported to the Special Committee each time it received a proposal from the Company regarding the Tender Offer Price and responded in accordance with the instructions of the Special Committee.

On January 13, 2023, the Target received a written report (the "Written Report") from the Special Committee to the effect that, as of the date of the report, it is reasonable and not disadvantageous to the minority shareholders of the Target for the board of directors of the Target to resolve to express its opinion to support the Tender Offer and to recommend that the shareholders of the Target tender their shares in the event that the Tender Offer is commenced (for an outline of the Report, see "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee" under "(3) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflict of interests" below).

(iii) Details of the Target's decision making

According to the Target, based on the above circumstances, the Target carefully considered and discussed at its board of directors meeting held today whether the Transaction, including the Tender Offer, would contribute to the enhancement of the Target's corporate value and whether the terms and conditions of the Transaction, including the Tender Offer Price, were appropriate, taking into account the legal advice received from Mori Hamada & Matsumoto, the advice received from SMBC Nikko Securities and the content of the Share Valuation Report concerning the results of valuation of the Target's Stock submitted on January 12 (the "Target Share Valuation Report"), with the utmost respect for the Special Committee's judgment expressed in the Written Report.

As a result, the Target has concluded that the Transaction will contribute to the enhancement of the Target's corporate value as described below.

As described in "(I) Background, purposes, and decision-making process leading to the implementation of the Tender Offer by the Offeror" above, according to the Target, the industry to which the Target Group belongs is expected to continue to perform strongly in the future due to structural factors such as the declining working population in Japan. On the other hand, due to the tighter-than-expected labor market conditions, the availability of adequate operational human resources (especially at the on-site manager level) has had a significant impact on the acceptance of outsourcing of large-scale operations, including spot operations. In addition, growing competition due to the rise of medium-sized BPO vendors and the diversification of outsourcing needs have led to a rising demand for the provision of high value-added services such as those in the areas of consulting and IT. However, among the above-mentioned issues, growing competition and the tightening of the labor market are progressing faster than expected, and there is an urgent need to add higher value to and differentiate services through the enhancement of functions centered on the areas of consulting and IT, and to utilize digital technologies to transform business models from those that rely on human resources. In order for the Target to achieve sustainable growth by realizing the "Medium-term Management Plan 2023" and creating a virtuous cycle in the three directions of customer companies, consumers, and the Target's employees, the Target believes that faster reforms will be necessary, and for that purpose, it is important that the Target implements the growth initiatives in cooperation with other companies. While proactive investment for that purpose is expected to be beneficial and contribute

to increasing the Target's corporate value in the medium to long term, such investment may not receive adequate evaluation in the capital market in the short term because the initial expenses and costs may have an impact on the Target's financial condition and business performance. Therefore, the Target concluded on January 13, 2023 that since there is a limit to promoting the interests of the Target's general shareholders and making proactive investment at the same time, the best way to enhance the Target's corporate value would be to make the Offeror Parties the sole shareholders of the Target and implement the Business Integration through the implementation of the Transaction by the Offeror Parties and KDDI, thereby making proactive investment for fundamentally strengthening the Target's business and management base in response to drastic changes in the environment.

The specific synergies that the Target considers to be achievable through the Transaction are as follows.

(A) Increasing sales by strengthening business base

According to the Target, making the Offeror Parties the sole shareholders of the Target and implementing the Business Integration will avoid conflicts of interest and restrictions for ensuring independence between the Company and the minority shareholders of the Target, and will enable the Target to make more effective use of the customer base and sales networks of the Company Group and the KDDI Group. The Target believes that the Integrated Company resulting from the integration of the Target and KDDI Evolva will achieve such sales that cannot be achieved by the Target or KDDI Evolva alone as a contact center business operator in Japan, and that by jointly and effectively utilizing the contact center resources and human resources, the Integrated Company will be able to strengthen its business base and increase sales more rapidly.

(B) Improving profitability by enhancing business efficiency and productivity

According to the Target, the Target believes that making the Offeror Parties the sole shareholders of the Target and implementing the Business Integration will enable the Target to avoid conflicts of interest and restrictions for ensuring independence between the Company and the minority shareholders of the Target and create an environment in which management has the flexibility to decide on and make investments that would meet the long-term interests of the businesses, customers, employees, and local communities. The Target also believes that free movement of management and employees within the Integrated Company Group will enable open information sharing, support investment in service

technology innovation and intellectual property development, and further improve profitability by enhancing operational efficiency and productivity.

The Target believes that it will also be possible to seek to improve profitability by consolidating and eliminating the business locations and facilities of the Target and KDDI Evolva.

(C) Development and provision of services with higher added value

According to the Target, the Target considers that it is an urgent issue to enhance the added value of its services by expanding digital services and consulting functions for future business growth and has considered in-house production and utilization of external partners as a solution to this issue. Making the Offeror Parties the sole shareholders of the Target and implementing the Business Integration will enable the Target to utilize the know-how and resources of the Company Group and KDDI Group companies and develop and provide services with higher added value by avoiding conflicts of interest and restrictions for ensuring independence between the Offeror Parties and minority shareholders of the Target.

(D) Reducing listing maintenance costs and burden of administrative divisions

According to the Target, the Target's systems and operational burden for maintaining its listing have increased year by year due to the necessity to comply with the listing maintenance criteria and revised corporate governance codes related to the recent changes to market segments. Taking the Target's Stock private through the Transaction is expected to reduce these costs and operations.

Furthermore, the Target believes that following the Transaction, it will be possible to avoid conflicts of interest and restrictions for ensuring independence between the Company Group and the KDDI Group and the minority shareholders of the Target, which will contribute to the enhancement of the corporate value of the Company Group and the KDDI Group, including the Target, in the medium to long term, through prompt and smooth collaboration with the Company Group and the KDDI Group and efficient use of the management resources as necessary from the viewpoint of medium to long term growth.

In addition, based on the following points, the Target has determined that the Tender Offer Price of 1,465 yen per share is a reasonable price that secures the interests to be enjoyed by the general shareholders of the Target and the other terms and conditions of the Tender Offer are fair, and thus the Tender Offer provides the general shareholders of the Target with a reasonable opportunity to sell the Target's Stock at a price that reflects an appropriate

premium.

(a) The Target has agreed on the Tender Offer Price after taking sufficient measures to ensure the fairness of the terms and conditions of the Transaction, including the Tender Offer Price, as described in "(3) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflict of interests" below and conducting sufficient negotiations with the Offeror Parties with substantial involvement of the Special Committee.

(b) From among the results of valuation of the Target's Stock by SMBC Nikko Securities in the Target Share Valuation Report described in "(IV) Procurement of a share valuation report from independent financial advisor and third-party valuator retained by the Target" under "(3) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflict of interests" below, the Tender Offer Price exceeds the results of valuation by the average market price method and the comparable peer company multiple method and is within the range of the results of valuation by the discounted cash flow method (the "DCF Method").

(c) In the Transaction, although the Tender Offer Period is set as 20 business days (Note), which is the shortest period specified by laws and regulations, an opportunity for the general shareholders to make an appropriate decision regarding the tender of the Tender Offer and an opportunity for persons other than the Offeror Parties to purchase the Target's Stock are secured due to the fact that the period from the announcement of the proposed Tender Offer to the actual commencement of the Tender Offer is long.

(Note) The Tender Offer Period will be a period by which 20 business days in the United States, which is the minimum number of days required for the Tender Offer Period under the U.S. securities laws, will be covered. The same shall apply hereinafter for the business days of the Tender Offer Period.

(d) Although the minimum number of shares to be purchased in the Tender Offer is less than the "Majority of Minority" in the Transaction, it is considered that the fact that the minimum number of shares to be purchased is not set as the "Majority of Minority" does not impair the fairness of the Tender Offer because other sufficient measures to ensure fairness have been taken in the Transaction.

(e) In the Transaction, since the amount of money to be delivered to the shareholders as consideration at the time of making the Demand for Share Cash-out (as defined in "(4)

Policies on the organizational restructuring, etc. after the Tender Offer (matters concerning "two-step acquisition")" below; hereinafter the same) or the Share Consolidation will be calculated to be the same as the price obtained by multiplying the Tender Offer Price by the number of the Target's Stock held by each such shareholder (excluding the Target and the Offeror Parties), an opportunity is secured for the general shareholders to make an appropriate decision on whether to tender their shares in the Tender Offer, and consideration has been given so as to prevent coercion.

(f) As described in "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee" under "(3) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflict of interests" below, the Tender Offer Price and other terms and conditions of the Tender Offer are determined to be reasonable in the Written Report procured from the Special Committee.

Based on the above, the Target, at its board of directors meeting held today, determined that, in the opinion of the Target at this point, the Transaction will contribute to the enhancement of the Target's corporate value and the terms and conditions of the Transaction, including the Tender Offer Price, are appropriate, and resolved to express its opinion to support the Tender Offer and to recommend that the shareholders of the Target tender their shares in the event that the Tender Offer is commenced.

The board of directors of the Target also resolved at the above-mentioned meeting that, prior to the commencement of the Tender Offer, it will request the Special Committee established by the Target to consider whether there are any changes to the opinion expressed by the Special Committee to the board of directors of the Target as of January 13, 2023 and, if there are no changes, express an opinion to that effect, and if there are any changes, state its revised opinion to the board of directors of the Target, and that, based on such opinion, the board of directors of the Target will express its opinion on the Tender Offer again at the commencement of the Tender Offer.

For details on the decision-making process of the board of directors of the Target, see "(VI) Unanimous approval of all disinterested directors of the Target and the opinion of all disinterested auditors of the Target that they have no objection" under "(3) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflict of interests" below.

(3) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the

Tender Offer Price and measures to avoid conflict of interests

As of today, the Target is not a subsidiary of the Offeror Parties, and the Tender Offer does not constitute a tender offer by the controlling shareholder. However, the Company owns 23,707,200 shares of the Target's Stock (Shareholding Ratio: 36.56%) and the Target is an equity method affiliate of the Company as of today. Because (i) this Transaction constitutes the acquisition of an equity method affiliate by the Company, which is the Target's major shareholder and top shareholder, and could be affected by the issue of structural conflicts of interest and information asymmetry with general shareholders in the process of consideration of the Transaction by the Target; and (ii) of the total of eight (8) directors of the Target, three (3) (Messrs. Takashi Amino, Seiji Ishigaki, and Hiroyuki Koga) were employees of the Company within the past ten (10) years and one (1) (Mr. Isao Kohiyama) currently is an employee of the Company, and of the total of four (4) auditors of the Target, one (1) (Mr. Toshiaki Maruoka) was an employee of the Company within the past ten (10) years, for the Transaction, including the Tender Offer, the Offeror Parties and the Target implemented the measures below in (I) to (VIII) to ensure fairness of the Tender Offer from the stage of the Tender Offer, to eliminate arbitrariness in decision-making concerning the Transaction, and to ensure fairness, transparency, and objectiveness in the decision-making process, and to avoid doubts of conflicts of interest. Among the descriptions below, the descriptions of the measures implemented by the Target are based on the Target's Press Release and explanation received from the Target.

Furthermore, the Offeror Parties decided that because having the successful completion of the Tender Offer conditioned on the tender of the so-called "Majority of Minority" would destabilize the successful completion of the Tender Offer, which in turn might not serve the interests of minority shareholders who wish to tender in the Tender Offer, it will not set a minimum number of the so-called "Majority of Minority" in the Tender Offer. However, the Offeror Parties believe that due consideration was given to the interests of the Target's general shareholders by taking the measures below in (I) through (VIII).

- (I) Procurement of a share valuation report from an independent third-party valuator retained by the Offeror Parties

In order to ensure the fairness of the Tender Offer Price, in determining the Tender Offer Price, the Company requested Nomura Securities, the Company's financial advisor, to serve as a third-party valuator independent of the Offeror Parties, KDDI and KDDI Evolva, and the Target to calculate the share value of the Target's Stock. Nomura Securities is not a related party of the Offeror Parties, KDDI and KDDI Evolva, and the Target and has no material interest in relation to the Business Integration, including the Tender Offer.

After the examination of the calculation method to be used for the calculation of the share value of the Target's Stock among several calculation method of share value, Nomura Securities determined that it is appropriate to evaluate the Target's Stock from various perspectives based on the assumption that the Target is a going concern, and adopted in the calculation of the price of the Target's Stock each of the following methods: the average market price method since the shares of the Target's Stock are listed on the TSE Prime Market; the comparable peer company multiple method since there are multiple listed companies comparable to the Target and it is possible to infer the value of the Target's Stock by the comparable peer company multiple method; and the DCF method to reflect in the share valuation the status of future business activities of the Target, and calculated the value of the Target's Stock. The Company obtained a share valuation report (the "Share Valuation Report") on January 13, 2023. The Company has not obtained an opinion concerning the fairness of the Tender Offer Price (fairness opinion) from Nomura Securities since the Company believes that the Offeror Parties have implemented measures to ensure the fairness of the Tender Offer and to avoid conflicts of interest and that sufficient consideration has been given to the interests of minority shareholders of the Target.

For details of the Share Valuation Report the Company obtained from Nomura Securities, please refer to "(I) Basis of calculation" in "(4) Basis of calculation of the price of tender offer" under "2. Summary of Tender Offer" below.

- (II) Establishment of independent special committee at the Target and procurement of written report from the said committee
 - (i) Background of establishment

As indicated above in "(III) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Target" under "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer," the Target established the Special Committee by resolution of its board of directors at the meeting of the board of directors held on August 27, 2022. Before the establishment of the Special Committee, the Target, since late July 2022, with the advice from Mori Hamada & Matsumoto, for the purpose of establishing a system to review, negotiate, and make a judgment concerning the Transaction from the perspective of enhancing the Target's enterprise value and protecting the interests of general shareholders of the Target from a standpoint independent of the Company, KDDI and KDDI Evolva, explained to all of Independent Outside Directors and Outside Audit & Supervisory Board Members of the Target who

have no material interest in relation to the Company, KDDI and KDDI Evolva, and the Transaction, that the Target received the Proposal, and that, in reviewing and negotiating concerning the Transaction, it is necessary to take sufficient measures to ensure the fairness of the terms and conditions of the Transaction, including the establishment of a special committee, because the Transaction may give rise to issues of structural conflicts of interest and information asymmetry although the Transaction does not constitute the acquisition of subsidiary company by a controlling shareholder. At the same time, the Target considered candidates for the members of the Special Committee with the advice from Mori Hamada & Matsumoto. After confirming that the candidates for the members of the Special Committee were independent of the Company, KDDI and KDDI Evolva, and that they had no material interest different from those of the general shareholders regarding the success or failure of the Transaction, the Target held discussions with the above Independent Outside Directors and Outside Audit & Supervisory Board Members, and with the advice from Mori Hamada & Matsumoto, nominated three persons, Mr. Naonori Kimura, Mr. Junichi Kishigami, and Ms. Rika Kawaguchi, as the candidates for the members of the Special Committee in order to constitute the Special Committee at an appropriate scale while securing a balance of knowledge, experience and skills of the Special Committee as a whole (The members of the Special Committee have not changed since its establishment. As for the remuneration of the members of the Special Committee, a fixed amount of remuneration is paid as consideration for their duties, regardless of the content of the report, and no contingency fee is adopted.).

Accordingly, as indicated above in "(III) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Target" under "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer," the Target established the Special Committee by resolution of its board of directors at the meeting of the board of directors held on August 27, 2022, and requested that the Special Committee provide advice on the Items for Advice.

In establishing the Special Committee, the board of directors of the Target resolved that (i) the board of directors of the Target will conduct its decision making regarding the Transaction with the utmost respect for the Special Committee's judgment and (ii) if the Special Committee determines that the terms and conditions of the Transaction are not appropriate, the Target's board of directors will not support the Transaction. The board of directors of the Target also resolved that (i) the Special Committee will be

substantially involved in the negotiation process between the Target, and the Company, KDDI and KDDI Evolva (including giving instructions or making requests regarding the policy of the negotiation with the Company, KDDI and KDDI Evolva and conducting negotiations with the Company, KDDI and KDDI Evolva on its own), (ii) when providing a report on the Items for Advice, if necessary, the Special Committee will appoint its own financial or legal advisors (in this case, the Target shall bear the expenses incurred by the Special Committee) or nominate or approve (including retrospective approval) financial or legal advisors of the Target, (iii) if necessary, the Special Committee will receive information necessary for the review and decision regarding the Transaction from officers and employees of the Target, and (iv) the board of directors of the Target will grant authority on the matters the Special Committee deems necessary for the review and decision regarding the Transaction.

At the aforementioned meeting of the board of directors of the Target, of eight directors of the Target, in light of the fact that Messrs. Takashi Amino, Seiji Ishigaki and Hiroyuki Koga had served at the Company in the past and that Mr. Isao Kohiyama concurrently serves as an employee of the Company, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, such directors were excluded from the discussion, and the above resolution was unanimously passed after discussion by the remaining four directors of the Target (that is, Mr. Norihiko Koshida, Mr. Junichi Kishigami, Ms. Mikako Yusa and Mr. Naonori Kimura). At the aforementioned meeting of the board of directors of the Target, all of the auditors except for Messrs. Toshiaki Maruoka and Shinichiro Kamada expressed their opinion that they have no objection to the above resolution. In light of the fact that Mr. Toshiaki Maruoka, a full-time auditor of the Target, had served at the Company in the past and Mr. Shinichiro Kamada, an outside auditor of the Target, concurrently holds a position at Central Security Patrols, the Target's shareholder, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, they did not participate in the meeting and refrained from expressing their opinion.

Messrs. Takashi Amino, Seiji Ishigaki, Hiroyuki Koga, and Isao Kohiyama, who did not participate in the resolution, may not have a special interest set forth in the Companies Act with respect to the above agenda. In such case, a quorum for the meeting of the board of directors may not be satisfied for the agenda. Therefore, in order to ensure the effective resolution satisfying a quorum under the Companies Act, the agenda

was discussed again by five directors, including Mr. Hiroyuki Koga for whom three years have passed since he ceased to serve at the Company out of the three directors who had served the Company in the past, and was unanimously passed. At the aforementioned meeting of the board of directors of the Target, all of the auditors except for Messrs. Toshiaki Maruoka and Shinichiro Kamada expressed their opinion that they have no objection to the above resolution. In light of the fact that Mr. Toshiaki Maruoka, a full-time auditor of the Target, had served at the Company in the past and Mr. Shinichiro Kamada, an outside auditor of the Target, concurrently holds a position at Central Security Patrols, the Target's shareholder, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, they did not participate in the meeting and refrained from expressing their opinion.

(ii) Background of consideration

The Special Committee held a total of 16 meetings (total meeting time of 19.5 hours) from September 2, 2022 until January 13, 2023, and performed its duties regarding the Items for Advice through such means as reporting, information sharing, consideration and decision making.

The Special Committee confirmed that SMBC Nikko Securities, the financial advisor and third-party valuator of the Target, was independent and professionally qualified, and approved the appointment thereof. The Special Committee also confirmed that Mori Hamada & Matsumoto, the legal advisor of the Target, was not a related party of the Company, KDDI or KDDI Evolva, or the Target and had no material interest in relation to the Transaction, including the Tender Offer, and approved the appointment thereof.

Furthermore, as indicated in "(V) Establishment of independent review system at the Target" below, the Special Committee confirmed that the internal review system for the Transaction established by the Target (including the scope of officers and employees of the Target who will be involved in the review, negotiation and judgment for the Transaction and their duties) was independent and fair.

Based on the above, the Special Committee is considering the measures to be taken to ensure the fairness of the procedures for the Transaction based on the opinions obtained from Mori Hamada & Matsumoto. While taking into account the advice obtained from SMBC Nikko Securities, the Special Committee received explanations from the Target on the Business Plan prepared by the Target regarding the details, important

preconditions and the background of preparation, and confirmed the reasonableness of these matters and approved the same.

The Special Committee received explanations from the Target on the purpose and significance of the Transaction and the Business Integration and expected impact on the business of the Target, and held a question-and-answer session on the foregoing. The Special Committee also presented questions to the Company, and held a question-and-answer session in the form of interviews with the Company on the purpose and background of the Transaction and the Business Integration and the management policy after the Transaction and the Business Integration.

Furthermore, as indicated in "(IV) Procurement of a share valuation report from independent financial advisor and third-party valuator retained by the Target" below, SMBC Nikko Securities calculated the value of the Target's Stock based on the Business Plan. The Special Committee received explanations regarding the method of calculation used by SMBC Nikko Securities for the calculation of the value of the Target's Stock, the reasons for adopting such method of calculation, the details of the calculations by each method of calculation, and important preconditions, and confirmed the reasonableness of these matters after questions and answers and discussions and considerations.

The Special Committee also received reports from the Target and SMBC Nikko Securities on the Target's negotiations with the Company from time to time and discussed and reviewed the same, and expressed necessary opinions on the Target's negotiation policies as appropriate. Specifically, the Special Committee received reports on the proposals of the Tender Offer Price from the Company upon receipt and after obtaining analysis and opinions from SMBC Nikko Securities regarding the policy for the measures to be taken and the policy for the negotiation with the Company, considered these proposals based on the advice from SMBC Nikko Securities from a financial perspective. Then, the Special Committee expressed its opinions to the Target on the matters to be discussed with the Company in order to achieve the significance and purpose of the Transaction as the Target, and participated in the overall process of discussion and negotiation between the Target and the Company regarding the terms and conditions of the Transaction, including the Tender Offer Price. As a result, on January 11, 2023, the Target received a proposal from the Company that includes the Tender Offer Price of 1,465 yen per share, and as a result, the Target received a total of five proposals, resulting in the price increase of 12.69% from the initial price proposal.

Furthermore, the Special Committee received explanations from Mori Hamada & Matsumoto on the draft of the Target's Press Release concerning the Tender Offer to be announced or submitted by the Target on multiple occasions and confirmed that appropriate information disclosure will be conducted.

(iii) Details of decision

Accordingly, while taking into account the legal advice received from Mori Hamada & Matsumoto, the advice received from SMBC Nikko Securities and the Target Share Valuation Report received on January 12, 2023, after careful consultations and consideration on the Items for Advice, the Special Committee, with the unanimous consent of all the members, submitted the Written Report on the Items for Advice to the Target's board of directors on January 13, 2023, the content of which is substantially as described below.

(a) Details of report

- i The Special Committee considers that it is appropriate for the Target's board of directors to express its opinion to support the Tender Offer and to recommend that the shareholders of the Target tender their shares in the Tender Offer.
- ii The Special Committee considers that the decision of the Target's board of directors on the Transaction (i.e. the decision to express its opinion to support the Tender Offer and to recommend that the shareholders of the Target tender their shares in the Tender Offer, and the decision on the Squeeze-out Procedure) is not disadvantageous to the minority shareholders of the Target.

(b) Reasons for report

- i Based on the following points, the Special Committee believes that the Transaction will contribute to the enhancement of the corporate value of the Target and that the purpose of the Transaction is reasonable.
 - The Company and KDDI have given the following explanations: (1) by complementing each other with the functions owned by Target Group and the KDDI Group through the Transaction for the purpose of the Business Integration, the Integrated Company would be able to facilitate the provision of services for supporting customers' business processes through digital BPO and aim to further enhance its presence in the BPO industry; (2) in addition, by gathering

information on the business operation of the Target and KDDI Evolva and integrating their sales functions through the Transaction, the Integrated Company will be able to reduce various costs and allocate operational staff appropriately; (3) by providing services to each other's existing customers, the Target and KDDI Evolva would be able to promote business development in an integrated manner as the Integrated Company Group; (4) by creating a hub for centrally managing and utilizing data scattered across multiple cloud environments, the Integrated Company would be able to reduce costs through the streamlining of the operation of the contact center business and increase sales through external sale of the cloud integration hub; (5) the dissynergies that may arise from the Transaction include (i) the possibility of a partial loss of sales to the Target's existing customers who are telecommunications carriers and their affiliates other than those in the KDDI Group, (ii) the possibility of a decrease in sales to multi-vendor customers (the customers to whom both the Target and KDDI Evolva provide services) due to changes in contract terms, (iii) the possibility of an increase in selling, general and administrative expenses as a result of the integration of the human resource systems, and (iv) the possible departure of human resources as a result of the Business Integration; however, the dissynergy under (i) does not necessarily mean that all sales to the existing customers who are telecommunications carriers and their affiliates other than those in the KDDI Group will be lost, and the synergies generated by the Business Integration are considered to exceed the dissynergies under (i) to (iv).

- On the other hand, the Target has given the following explanations: (1) the Transaction for the purpose of the Business Integration would enable the Target to make more effective use of the customer base and sales networks of the Company Group and the KDDI Group, and to strengthen its business base and increase sales more rapidly by jointly and effectively utilizing the contact center resources and human resources; (2) further improvement in profitability is expected to be achieved through improved flexibility of the management's decision making, streamlined operations, and increased productivity; (3) the Target would be able to utilize the know-how and resources of the Company Group and KDDI Group companies to develop and provide services with higher added value; (4) delisting of the Target's Stock through the Transaction is expected to reduce the costs and operations associated with maintaining its listing; and (5) a dissynergy that may arise from the Transaction is the possibility of a partial loss of the sales to the Target's existing customers who are

telecommunications carriers and their affiliates other than those in the KDDI Group; however, the Target plans to take measures such as continuing sales activities to maintain and expand business relationships with its existing business partners, and therefore, it does not necessarily mean that all of the transactions with such customers who are telecommunications carriers and their affiliates other than those in the KDDI Group will be terminated.

- In addition, since the main business of the Target Group is labor-intensive, the corporate value of the Target Group may be substantially impaired if the Business Integration results in the departure of talented human resources or the departure of a large number of employees. However, with regard to the operation, human resources, and treatment of the Integrated Company after the Business Integration, (1) the Company and KDDI have given the following explanations; (i) it is assumed that the corporate philosophy of the Integrated Company will be developed independently by the Target and KDDI Evolva, and it is assumed that in the process of accelerating the understanding of the corporate cultures of both companies, the strengths of both companies will be succeeded to by the Integrated Company; (ii) it is intended that the employment of the Target Group's employees will be maintained even after the Business Integration and that employment will not be reduced, and with regard to the promotion of human resources, it is intended that talented persons should be promoted to key positions regardless of which company they belonged to; (iii) the Business Integration, which is the purpose of the Transaction, will be an integration of the Target and KDDI Evolva based on the spirit of equality, regardless of the voting rights ratio of the Company and KDDI in the Integrated Company; (iv) the Integrated Company will take the initiative in determining its management policies through discussion with the Company and KDDI; and (v) an optimal schedule will be determined with regard to the integration of various systems concerning human resources; and (2) the Target has given the explanation that the Target has confirmed and reviewed the details and affinity of the corporate cultures of the Target and KDDI Evolva through interviews with the representatives and officers and employees (at the general manager level) of both companies and found that the corporate cultures of the companies are not necessarily different in nature from each other, and it cannot be said that the differences in their corporate cultures will hinder the Business Integration, and in implementing the Business Integration, the Target intends to promote initiatives to eliminate the concerns of the Target's employees from the perspective of maintaining and improving corporate value (including

preventing the departure of talented human resources and the departure of a large number of employees).

- Based on the above, as a result of careful deliberation and consideration, the Special Committee found that the explanations given by the Company and KDDI and the Target with regard to the synergies and dissynergies arising from the Transaction are not unreasonable, and that the synergies including the improvement in competitiveness through the promotion of digital BPO are expected to exceed the dissynergies including the loss of telecommunications carrier customers other than those in the KDDI Group, and furthermore, it is unlikely that the corporate value of the Target Group will be substantially impaired due to the departure of talented human resources or the departure of a large number of employees as a result of the Business Integration. Therefore, the Special Committee believes that the Transaction will contribute to the enhancement of the corporate value of the Target and that the Transaction is reasonable.
- ii Based on the following points, the Special Committee believes that appropriate procedures have been implemented in the Transaction from the viewpoint of protecting the interests of the general shareholders of the Target.
- The Target established the Special Committee independent of the Offeror Parties, KDDI and KDDI Evolva, and the Target, and it functioned effectively.
 - The Target received legal advice from Mori Hamada & Matsumoto after the Special Committee confirmed that Mori Hamada & Matsumoto is not a related party of the Company, KDDI and KDDI Evolva, and the Target and has no material interest in connection with the Transaction, including the Tender Offer, and approved the same as the legal advisor of the Target.
 - The Target received advice and assistance from SMBC Nikko Securities from a financial perspective and obtained the Target Share Valuation Report after the Special Committee confirmed that SMBC Nikko Securities was independent and professionally qualified and approved the same as the financial advisor and third-party valuator of the Target.
 - The Target established a review system consisting of Mr. Norihiko Koshida, a director of the Target, and two employees of the Target who have not been officers

or employees of the Company, KDDI and KDDI Evolva in the past (three members in total), and negotiated the terms and conditions of the Transaction, including the Tender Offer Price in the Tender Offer, and prepared the Business Plan which serves as a basis for the valuation of the Target's Stock. In principle, the Target has not caused its officers and employees who concurrently serve as officers and employees of the Company Group as well as officers and employees of the Target who formerly served as officers and employees of the Company Group (including Messrs. Takashi Amino, Seiji Ishigaki, Hiroyuki Koga and Isao Kohiyama, directors of the Target) to be involved in the review above.

- Of the Target's directors, in light of the fact that Messrs. Takashi Amino, Seiji Ishigaki and Hiroyuki Koga had served at the Company in the past and that Mr. Isao Kohiyama concurrently serves as an employee of the Company, and of the Target's auditors, in light of the fact that Mr. Toshiaki Maruoka had served at the Company in the past and Mr. Shinichiro Kamada concurrently holds a position at Central Security Patrols, the Target's shareholder, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, they did not participate in the discussions and resolutions of the board of directors of the Target regarding the Transaction, from the date of the meeting of the board of directors of the Target to establish the Special Committee until today, and did not participate in the discussions and negotiations with the Offeror Parties for the Transaction on behalf of the Target, except for the participation by Mr. Hiroyuki Koga in the second stage of the discussions and resolutions of the board of directors meetings of the Target, from the perspective of securing a quorum.
- The Target has not made any agreement with the Offeror Parties, KDDI and KDDI Evolva that contains a transaction protection clause that prohibits the Target from contacting those other than the Offeror (the "Competitive Purchasers"), or any other agreement that restricts contacts between competitive purchasers and the Target. Although the Tender Offer Period is 20 business days, the Offeror Parties announce its plan to commence the Tender Offer on January 13, 2023 and intends to commence the Tender Offer around March 2023 after the satisfaction of certain preconditions including the completion of necessary procedures under competition laws. Thus, it will take approximately two months to commence the Tender Offer and at least two months are available for making competitive offers before the end of the tender offer period following the announcement of the Tender Offer, and

therefore, opportunities are provided to allow competitive offers to be made.

- Although "Majority of Minority" will not be set in the Tender Offer, the absence of "Majority of Minority" in the Tender Offer does not impair the fairness of the Tender Offer because other sufficient measures to ensure fairness have been taken in the Transaction.
 - With respect to the Tender Offer, opportunities will be provided to the general shareholders to make an informed and appropriate decision.
 - In the Transaction, the Squeeze-out Procedure will be implemented as promptly as practicable after the completion of the Tender Offer, the amount of money to be delivered to the shareholders in the Squeeze-out Procedure will be calculated to be the same as the price obtained by multiplying the Tender Offer Price by the number of the Target's Stock held by the shareholders, and it will be clearly indicated in the press release that the Squeeze-out Procedure will be implemented in compliance with the Companies Act and other relevant laws and regulations, consideration has been given so as to prevent coercion and the legality of the Squeeze-out Procedure will be secured.
- iii Based on the following points, the appropriateness of the tender offer price and other terms and conditions of the Transaction is considered to be ensured.
- The formulation procedures and the contents of the Target's Business Plan, which is the premise of the calculation by the DCF method in the Target Share Valuation Report, are considered to be reasonable.
 - The Target Share Valuation Report is considered to be credible as there is nothing particularly unreasonable in its calculation methods and contents, and the Tender Offer Price is above the upper limit of the calculation results by SMBC Nikko Securities using the average market price method and the comparable peer company multiple method, and is considered to be within the range of its calculation results by the DCF method.
 - The Tender Offer Price is deemed to ensure a premium level equal to the average of similar cases (cases announced in or after 2016 in which equity method affiliates were intended to become wholly-owned subsidiaries) for each of the closing price on the day immediately preceding the date of announcement, the simple average of the closing prices for the previous one month, the simple average of the closing

prices for the previous three months, and the simple average of the closing prices for the previous six months.

- The Special Committee was substantively involved in the process of discussions and negotiations between the Target and the Company regarding the terms and conditions of the Transaction, including the Tender Offer Price, and it is deemed that diligent negotiations were conducted under circumstances where reasonable efforts were made to ensure that the Transaction would be conducted on the most favorable terms possible to the general shareholders.
 - As regards the acquisition method in the Transaction, squeezing out by means of implementing a tender offer in the first stage and making a demand for share cash-out or share consolidation in the second stage is one of the methods generally adopted in a transaction to turn a company into a wholly-owned subsidiary, as in the Transaction. As for the type of consideration for the acquisition, the method of delivering cash as purchase consideration is considered to be appropriate because the Company and the Target engage in different businesses, and the tendering shareholders can avoid the risk of a decline in the Company's stock price.
 - In light of the foregoing, it is considered that the appropriateness of the Tender Offer Price and other terms and conditions of the Transaction have been ensured.
- iv Given that the Transaction is considered to contribute to the enhancement of the Target's corporate value, and the purpose of the Transaction is considered to be justifiable, as stated in i. above; that appropriate procedures are considered to have been implemented in the Transaction to protect the interests of general shareholders, as stated in ii. above; and that the appropriateness of the tender offer price and other terms and conditions of the Transaction is considered to be ensured, as stated in iii. above, the decision of the Target's board of directors as to its opinion in favor of the Tender Offer and recommend that the Target's shareholders tender their shares in the Tender Offer is considered to be reasonable and not disadvantageous to the Target's minority shareholders. In addition, the decisions of the Target's board of directors regarding the Transaction (i.e. the decision to express its opinion in favor of the Tender Offer and to recommend that the Target's shareholders tender their shares in the Tender Offer, and the decision regarding the Squeeze-out Procedure) are not considered to be disadvantageous to the Target's minority shareholders.

(III) Procurement of advice from outside law firm by the Target

As indicated in "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee" above, the Target retained Mori Hamada & Matsumoto as its outside legal advisor, and has received legal advice from the firm including advice on the measures to be taken to ensure the fairness of the procedures for the Transaction, the procedures for the Transaction and the method and process of decision-making by the Target concerning the Transaction.

Mori Hamada & Matsumoto is not a related party of the Offeror Parties, KDDI and KDDI Evolva, and the Target and has no material interest in connection with the Transaction, including the Tender Offer. Mori Hamada & Matsumoto is paid a fee calculated by multiplying the hours of service rendered by an hourly rate regardless of whether the Transaction is executed and its fee does not include a performance fee conditioned on execution of the Transaction.

(IV) Procurement of a share valuation report from independent financial advisor and third-party valuator retained by the Target

As indicated in "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee" above, the Target retained SMBC Nikko Securities as its financial advisor and third-party valuator independent of the Company, KDDI and KDDI Evolva, and the Target, and received advice and assistance from SMBC Nikko Securities from a financial perspective, including advice on the calculation of the value of the Target's Stock and the policy for negotiation with the Company. The Target obtained the Target Share Valuation Report from SMBC Nikko Securities on January 12, 2023.

SMBC Nikko Securities is not a related party of the Company, KDDI and KDDI Evolva, and the Target and has no material interest in connection with the Transaction, including the Tender Offer. SMBC Nikko Securities is paid a performance fee payable on condition that the Transaction is executed. The Target appointed SMBC Nikko Securities as its financial advisor and third-party valuator based on the above fee arrangement, taking into account general practices in the same kind of transactions and the appropriateness of the fee arrangement in which the Target would incur a reasonable financial burden in the event that the Transaction is not consummated, and also based on the determination that SMBC Nikko Securities' independence would not be denied by the fact that a performance fee payable on condition that the Transaction is executed is included.

- (i) Name of valuator and relationship with the Target and the Offeror Parties, KDDI and KDDI Evolva

The Target, in expressing its opinion concerning the Tender Offer Price, in order to ensure the fairness of decision-making regarding the Tender Offer Price presented by the Company, requested its financial advisor SMBC Nikko Securities, as a third-party valuator independent of the Offeror Parties, KDDI and KDDI Evolva, and the Target, to calculate the share value of the Target's Stock, and obtained the Target Share Valuation Report on January 12, 2023. SMBC Nikko Securities is not a related party of the Target, and the Offeror Parties, KDDI and KDDI Evolva and has no material interest in connection with the Transaction, including the Tender Offer. The Special Committee, at its first meeting, confirmed that SMBC Nikko Securities was independent and professionally qualified, and approved the appointment thereof as the financial advisor and third-party valuator of the Target. The Target has not obtained from SMBC Nikko Securities an opinion concerning the fairness of the Tender Offer Price (fairness opinion) since the Target determined that the measures to ensure the fairness of the Tender Offer Price and to avoid conflicts of interest have been implemented and that fairness of the Transaction is sufficiently ensured.

With respect to the Transaction, SMBC Nikko Securities is paid a performance fee payable on condition that the Transaction is executed. The Target appointed SMBC Nikko Securities as its financial advisor and third-party valuator based on the above fee arrangement, taking into account general practices in the same kind of transactions and the appropriateness of the fee arrangement in which the Target would incur a reasonable financial burden in the event that the Transaction is not consummated, and also based on the determination that SMBC Nikko Securities' independence would not be denied by the fact that a performance fee payable on condition that the Transaction is executed is included.

(Note) In preparing the Target Share Valuation Report, SMBC Nikko Securities assumed that all of the materials and information used as the basis therefor are accurate and complete. SMBC Nikko Securities has not conducted any independent verification of the accuracy and completeness of such materials and information, and assumes no obligation or responsibility for such verification. SMBC Nikko Securities assumed that the Target has not recognized any facts or circumstances that render any of the information provided inaccurate or misleading. SMBC Nikko Securities has not independently evaluated, appraised

or assessed the assets or liabilities of the Target and its affiliates, nor has it requested any third-party organization to evaluate, appraise or assess such assets or liabilities. If any problems are found in the accuracy and completeness of these materials and information, the results of the calculation may differ significantly. Furthermore, SMBC Nikko Securities assumed that there are no claims and obligations relating to undisclosed litigation, disputes, environment and taxation, etc. regarding the Target and its affiliates, other contingent liabilities and off-the-book liabilities, and any other fact that would materially affect the Target Share Valuation Report. It was assumed that the business plan used by SMBC Nikko Securities in the Target Share Valuation Report was prepared by the Target with reasonable and appropriate procedures based on the best estimate and judgment as of the reference date of making the calculation. In the Target Share Valuation Report, when SMBC Nikko Securities conducted its analysis based on the materials, information and assumptions provided, it was assumed that the materials, information and assumptions provided are accurate and reasonable. SMBC Nikko Securities has not independently verified the accuracy, appropriateness and feasibility of these assumptions, and assumes no obligation or responsibility therefor. The results of the calculation by SMBC Nikko Securities have been submitted to the Target, at the request of the Target, for the sole purpose of assisting the Target's board of directors to consider the Tender Offer Price. Such results of the calculation are not designed for expressing SMBC Nikko Securities' opinion as to the fairness of the Tender Offer Price.

(ii) Overview of calculation

The Target, in expressing its opinion concerning the Tender Offer, requested its financial advisor SMBC Nikko Securities, as a third-party valuator independent of the Company, KDDI and KDDI Evolva, and the Target, to calculate the share value of the Target's Stock, and obtained the Target Share Valuation Report on January 12, 2023.

In calculating the value of the Target's Stock, SMBC Nikko Securities adopted the average market price method since the shares of the Target's Stock are listed on the TSE Prime Market and thus the market price thereof is available; the comparable peer company multiple method since there are multiple listed companies that are engaged in business relatively similar to the Target's business and it is possible to infer the value of the Target's Stock by the comparable peer company multiple method; and the DCF

method to reflect in the share valuation the status of future business activities of the Target.

The range of the value per share of the Target's Stock calculated by SMBC Nikko Securities based on each of the above methods is as follows.

Average market price method:	From 1,002 yen to 1,017 yen
Comparable peer company multiple method:	From 1,031 yen to 1,191 yen
DCF method:	From 1,376 yen to 2,843 yen

Under the average market price method, as of the reference date of January 12, 2023, which is the business day immediately preceding the date of the announcement of the expected commencement of the Tender Offer, the share value range per share of the Target's Stock was calculated to be 1,002 yen to 1,017 yen, based on the simple average of the closing prices for the previous one month of the Target's Stock on the TSE Prime Market (1,002 yen), the simple average of the closing prices for the previous three months (1,005 yen), and the simple average of the closing prices for the previous six months (1,017 yen). Under the comparable peer company multiple method, the share value range per share of the Target's Stock was calculated to be 1,031 yen to 1,191 yen through comparison with the market share price of listed companies operating businesses relatively similar to those of the Target and the financial indicators of their profitability. Under the DCF method, the share value range per share of the Target's Stock was calculated to be 1,376 yen to 2,843 yen by calculating the Target's enterprise value and share value based on various elements such as the Business Plan prepared by the Target, and information generally disclosed to the public, and discounting at a certain rate to the present value the free cash flow projected to be generated by the Target in and after the third quarter of its fiscal year ending March 2023. The Business Plan prepared by the Target, which was used for the calculation under the DCF method by SMBC Nikko Securities, does not include any fiscal year in which significant year-on-year increases or decreases in profits are expected. The synergies expected to be realized through the implementation of the Transaction were not included in the financial forecast as it was difficult to estimate the same specifically as of January 13, 2023. In the "medium-term management plan 2023," the Target set out the performance targets for the fiscal year ending March 2024, which is the final year of the plan, as consolidated sales of 135 billion yen and operating profit of 12 billion yen. With respect to the progress of said plan at the time of the Target Share Valuation Report, although the strengthening of the management base and improvement of the quality of the

business operations have been steadily progressing, there has been a delay in the expansion of domestic core businesses and improvement of profitability. Also, while overseas subsidiaries are expanding their businesses supported by steady demand, they are facing challenges in profitability due to soaring local labor costs. In light of these circumstances, the Target calculated consolidated sales to be approximately 132.4 billion yen and operating profit to be approximately 9.2 billion yen for the fiscal year ending March 2024.

The concrete figures for the Target's financial forecast used as the basis for the calculation pursuant to the DCF method are as follows.

(Unit: million yen)

	March 2023 (From October 2022 to March 2023)	March 2024	March 2025	March 2026
Net sales	66,942	132,356	139,094	147,865
Operating income	4,908	9,234	10,531	12,227
EBITDA	6,613	12,546	13,942	15,798
Free cash flow	3,456	6,995	7,318	8,843

(V) Establishment of independent review system at the Target

As indicated above in "(III) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Target" under "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer," in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, the Target has established a system within the Target to review, negotiate and make decisions regarding the Transaction from a standpoint independent of the Company, KDDI and KDDI Evolva. Specifically, since the time when the Target received from the Company its intention to consider the Transaction in mid-July 2022, the Target has established a system consisting of Mr. Norihiko Koshida, a director of the Target, and two employees of the Target who have not been officers or employees of the Company, KDDI or KDDI Evolva in the past (three members in total) to review, negotiate and make decisions

regarding the Transaction, and under such system, the Target has negotiated the terms and conditions of the Transaction, including the Tender Offer Price in the Tender Offer, and prepared the Business Plan which serves as a basis for the valuation of the Target's Stock (provided, however, that as indicated above in "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee," Mr. Hiroyuki Koga, a director of the Target, participated only in the second stage of the Target's board of directors meetings held on or after August 27, 2022 in order to ensure the effective resolution satisfying a quorum under the Companies Act). The Business Plan, which serves as a basis for the valuation of the share value of the Target by the Company, has been prepared under the above review system in order to eliminate the issues of structural conflicts of interest and information asymmetry after the time when the Target received from the Company its intention to consider the Transaction in late July 2022. Accordingly, there is no fact that its financial figures were unduly distorted in light of the existence of the Transaction. At the meeting of the board of directors of the Target held today, the resolution to approve the Business Plan was unanimously passed after discussion by four directors of the Target, excluding Mr. Takashi Amino, the representative director of the Target, and Mr. Seiji Ishigaki, Mr. Hiroyuki Koga and Mr. Isao Kohiyama, directors of the Target. In order to ensure the effective resolution satisfying a quorum under the Companies Act, the agenda was discussed again by five directors, including Mr. Hiroyuki Koga for whom three years have passed since he ceased to serve at the Company out of the three directors who had served the Company in the past, and the resolution to approve the Business Plan was unanimously passed. With respect to the decision-making by the Target regarding the Transaction (including approval of the Business Plan), Mr. Takashi Amino, the representative director of the Target, Mr. Seiji Ishigaki, Mr. Hiroyuki Koga and Mr. Isao Kohiyama, directors of the Target, Mr. Toshiaki Maruoka, a full-time auditor of the Target, and Mr. Shinichiro Kamada, an outside auditor of the Target, were not involved in the decision-making in order to eliminate possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction; provided, however, that Mr. Hiroyuki Koga, a director of the Target, participated only in the second stage of the Target's board of directors meetings held on August 27, 2022, September 21, 2022 and today, respectively, in order to ensure the effective resolution satisfying a quorum under the Companies Act. Including the treatment described above, the Special Committee confirmed that the internal review system for the Transaction established by the Target (including the scope of officers and employees of the Target who will be involved in the review, negotiation and judgment for the Transaction and their duties) was based on advice of Mori Hamada & Matsumoto and that there are no problems from the viewpoint of independence and fairness.

(VI) Unanimous approval of all disinterested directors of the Target and the opinion of all disinterested auditors of the Target that they have no objection

As indicated above in "(III) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Target" under "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer," the board of directors of the Target carefully examined and discussed whether the Transaction, including the Tender Offer, would contribute to the improvement of the corporate value of the Target and whether the terms and conditions of the Transaction, including the Tender Offer Price, are appropriate, based on legal advice received from Mori Hamada & Matsumoto, advice received from SMBC Nikko Securities, and the content of the Target Share Valuation Report, while respecting to the maximum extent judgment of the Special Committee presented in the Written Report.

As a result, as indicated above in "(III) Decision-making process leading to and grounds for the opinion in favor of the Tender Offer by the Target" under "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer," the Target determined that the Transaction, including the Tender Offer, will contribute to the improvement of the corporate value of the Target since it will facilitate prompt and smooth cooperation with the Company Group and the KDDI Group and efficient use of the management resources while avoiding conflicts of interest between the Company Group and the KDDI Group and minority shareholders and restrictions to secure independence, and the terms and conditions of the Transaction, including the Tender Offer Price, are reasonable and secure the interests to be enjoyed by the general shareholders of the Target and the Tender Offer will provide the general shareholders of the Target with a reasonable opportunity to sell the Target's Stock at a price with appropriate premium reflecting the corporate value of the Target's Stock since the Tender Offer Price is the price obtained by adding premium of 50.41% to the closing price of the Target's Stock of 974 yen on the TSE Prime Market on January 12, 2023, the price obtained by adding premium of 46.21% to the simple average of the closing prices for the previous one month (1,002 yen), the price obtained by adding premium of 45.77% to the simple average of the closing prices for the previous three months (1,005 yen), and the price obtained by adding premium of 44.05% to the simple average of the closing prices for the previous six months (1,017 yen) and these are comparable to the premium level (premium's median/average of the closing prices on the business day before the announcement date (31.6%, 35.7%), premium's median/average of the closing prices for the previous one month (43.1%, 44.3%), premium's median/average of the closing prices for the previous three

months (52.2%, 49.6%), and premium's median/average of the closing prices for the previous six months (49.2%, 51.7%)) of 17 cases of tender offers for shares of other companies that intend to make domestically listed equity method affiliates to wholly-owned subsidiaries that were announced on or after January 1, 2016 (excluding MBO cases and cases where the share price of the target company has soared due to leaked news reports), and resolved, at the meeting of the Target's board of directors held today, that the Target's opinion as of the same date is that in the event the Tender Offer is commenced, the Target will express its opinion in favor of the Tender Offer and will recommend the Target's shareholders to tender in the Tender Offer.

At the aforementioned meeting of the board of directors of the Target, of eight directors of the Target, in light of the fact that Messrs. Takashi Amino, Seiji Ishigaki and Hiroyuki Koga had served at the Company in the past and that Mr. Isao Kohiyama concurrently serves as an employee of the Company, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, such directors were excluded from the discussion, and the above resolution was unanimously passed after discussion by the remaining four directors of the Target (that is, Mr. Norihiko Koshida, Mr. Junichi Kishigami, Ms. Mikako Yusa and Mr. Naonori Kimura). At the aforementioned meeting of the board of directors of the Target, all of the auditors except for Messrs. Toshiaki Maruoka and Shinichiro Kamada expressed their opinion that they have no objection to the above resolution. In light of the fact that Mr. Toshiaki Maruoka, a full-time auditor of the Target, had served at the Company in the past and Mr. Shinichiro Kamada, an outside auditor of the Target, concurrently holds a position at Central Security Patrols, the Target's shareholder, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, they did not participate in the meeting and refrained from expressing their opinion.

Messrs. Takashi Amino, Seiji Ishigaki, Hiroyuki Koga and Isao Kohiyama, who did not participate in the resolution, may not have a special interest set forth in the Companies Act with respect to the above agenda. In such case, a quorum for the meeting of the board of directors may not be satisfied for the agenda. Therefore, in order to ensure the effective resolution satisfying a quorum under the Companies Act, the agenda was discussed again by five directors, including Mr. Hiroyuki Koga for whom three years have passed since he ceased to serve at the Company out of the three directors who had served at the Company in the past, and was unanimously passed. At the aforementioned meeting of the board of directors of the Target, all of the auditors except for Messrs. Toshiaki Maruoka and Shinichiro Kamada expressed their opinion that they have no objection to the above resolution. In light

of the fact that Mr. Toshiaki Maruoka, a full-time auditor of the Target, had served at the Company in the past and Mr. Shinichiro Kamada, an outside auditor of the Target, concurrently holds a position at Central Security Patrols, the Target's shareholder, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, they did not participate in the meeting and refrained from expressing their opinion.

Of the Target's directors, in light of the fact that Messrs. Takashi Amino, Seiji Ishigaki and Hiroyuki Koga had served at the Company in the past and that Mr. Isao Kohiyama concurrently serves as an employee of the Company, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, they did not participate in the discussions and resolutions of the board of directors of the Target regarding the Transaction, including the meetings of the board of directors of the Target held on August 27, 2022, September 21, 2022 and today, and did not participate in the discussions and negotiations with the Offeror Parties for the Transaction on behalf of the Target, except for the participation by Mr. Hiroyuki Koga in the second stage of the discussions and resolutions of the board of directors meetings of the Target held on August 27, 2022, September 21, 2022 and today, respectively.

In light of the fact that Mr. Toshiaki Maruoka, a full-time auditor of the Target, had served at the Company in the past, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, he did not participate in the discussions and negotiations with the Offeror Parties for the Transaction on behalf of the Target.

In light of the fact that Mr. Shinichiro Kamada, an outside auditor of the Target, concurrently holds a position at Central Security Patrols, the Target's shareholder, in order to eliminate, as much as possible, possible impact of the issues of structural conflicts of interest and information asymmetry through the Transaction, he did not participate in the discussions and negotiations with the Offeror Parties for the Transaction on behalf of the Target.

(VII) No transaction protection clause

The Offeror Parties and the Target have not made any agreement, including the Basic Transaction Agreement and the Shareholders Agreement between the Company and KDDI, that contains a transaction protection clause that prohibits the Target from contacting the Competitive Purchasers, or any other agreement that restricts contacts between the Competitive Purchasers and the Target. Because opportunities are provided to allow

competitive offers to be made, the Offeror Parties are giving due consideration to ensure the fairness of the Tender Offer.

(VIII) Measures to ensure opportunity for the Target's shareholders to make an appropriate decision on whether to tender their shares in the Tender Offer

As indicated in "(4) Policies on the organizational restructuring, etc. after the Tender Offer (matters concerning "two-step acquisition")" below, (i) promptly after the completion of the settlement for the Tender Offer, the Offeror Parties will make a demand for share cash-out for all of the Target's Stock (excluding the Target's Stock held by the Offeror Parties and the treasury shares held by the Target) or request the Target to convene an extraordinary shareholders' meeting (the "Extraordinary Shareholders' Meeting"), at which the items for resolution shall include a share consolidation and, on condition that the share consolidation takes effect, partial amendment of the articles of incorporation to abolish the provision concerning unit shares, in accordance with the number of shares to be acquired by the Offeror Parties upon the consummation of the Tender Offer, and will not adopt any method that does not secure the right to claim for purchase of shares or the right to demand for pricing for the Target's shareholders, and (ii) the Offeror Parties have made it clear that the amount of money to be delivered to the Target's shareholders as consideration at the time of making the Demand for Share Cash-out or the Share Consolidation will be calculated to be the same as the price obtained by multiplying the Tender Offer Price by the number of the Target's Stock held by each such shareholder (excluding the Target and the Offeror Parties). Therefore, the Offeror Parties have ensured an opportunity for the Target's shareholders to make an appropriate decision on whether to tender their shares in the Tender Offer, and have taken into consideration that this will not create coercion.

(4) Policies on the organizational restructuring, etc. after the Tender Offer (matters concerning "two-step acquisition")

As in "(1) Outline of the Tender Offer" above, if the Offeror is unable to acquire all shares of the Target's Stock in the Tender Offer (excluding the Target's Stock owned by the Company and treasury shares owned by the Target), the Offeror plans to implement a series of procedures to make the Target shareholders solely the Offeror Parties by the following method after the completion of the Tender Offer.

Specifically, if, as a result of consummation of the Tender Offer, the Offeror Parties comes to hold 90% or more of the total voting rights of all shareholders of the Target, the Company, as described above, intends to request all shareholders of the Target (excluding the Offeror Parties and the

Target) (the "Cash-out Shareholders") who did not tender their share in the Tender Offer to sell all shares of the Target's Stock they hold (the "Demand for Share Cash-out") pursuant to the provisions of Article 179, Paragraph 1 of the Companies Act promptly after the settlement of the Tender Offer is completed. In the Demand for Share Cash-out, it is planned that an amount of money equal to the Tender Offer Price shall be delivered to the Cash-out Shareholders as consideration per share of the Target's Stock. In this case, the Company shall notify the Target to that effect and request the Target to approve the Demand for Share Cash-out. If the Target approves the Demand for Share Cash-out by the resolution of its board of directors, the Company intends to acquire all of the Target's Stock held by Cash-out Shareholders as of the acquisition date specified in the Demand for Share Cash-out in accordance with the procedures prescribed by the relevant laws and regulations without requiring individual consent of the Cash-out Shareholders. In consideration for the Target's Stock held by the Cash-out Shareholders, the Company intends to deliver to each Cash-out Shareholder an amount of money equal to the Tender Offer Price per Target's Stock. According to the Target's Press Release, the Target plans to approve the Demand for Share Cash-out by the Company at the Target's board of directors meeting if the Target receives notice from the Company regarding the Demand for Share Cash-out describing the matters set forth in each item of Article 179-2, Paragraph 1 of the Companies Act.

To protect the rights of general shareholders in connection with the above series of procedures, the Companies Act provides that the Cash-out Shareholders may file a petition to the court to determine the sale price of the shares of the Target's Stock they hold in accordance with the provisions of Article 179-8 of the Companies Act and other relevant laws and regulations. If such petition is filed, the sale price will ultimately be determined by the court.

On the other hand, despite the consummation of the Tender Offer, if the total shares obtained by the Offeror Parties do not reach 90% or more of voting rights of all shareholders of the Target, the Offeror Parties plan to request the Target, promptly after the completion of settlement of the Tender Offer, to convene preferably by late May to early June of 2023 the Extraordinary Shareholders' Meeting, at which the items for resolution shall include: the implementation of consolidation of the shares of the Target's Stock (the "Share Consolidation") pursuant to Article 180 of the Companies Act; and on condition that the Share Consolidation takes effect, partial amendment of the articles of incorporation to abolish the provision concerning the share unit. The Offeror Parties believe that it is desirable to hold the Extraordinary Shareholders' Meeting as early as possible from the viewpoint of improving corporate value of the Target, and intends to request the Target to make an announcement of setting a record date during the Tender Offer Period so that the record date for the Extraordinary Shareholders' Meeting will be a date close to the commencement of settlement of the Tender Offer. The Target intends to meet these requests from the Offeror Parties

if the Tender Offer is consummated. The Offeror Parties intends to vote in favor of both of the above proposals at the Extraordinary Shareholders' Meeting.

If the proposal for the Share Consolidation is approved at the Extraordinary Shareholders' Meeting, then on the date on which the Share Consolidation takes effect, the shareholders of the Target will own the shares of the Target's Stock in the number corresponding to the ratio of the Share Consolidation. If any fraction of a share less than one share results from the implementation of the Share Consolidation, an amount of money obtained by selling to the Offeror Parties the shares of Target's Stock equivalent to the total number of such fractional shares (any fractional shares less than one share created by aggregating those fractional shares shall be discarded) shall be delivered to the shareholders in accordance with the procedures stipulated in Article 235 of the Companies Act and other relevant laws and regulations. With respect to the sale price of the shares of the Target's Stock equivalent to such total number of fractional shares, it is scheduled that this price shall be set in such a way so that, as a result of selling these shares, the amount of money to be delivered to the shareholders of the Target who did not tender in the Tender Offer (excluding the Offeror and the Target) shall be the same as the price that shall be obtained by multiplying the Tender Offer Price by the number of the shares of each such shareholder. After the above process, the Offeror Parties intends to request the Target to file a petition to obtain permission for voluntary sale to the court.

Where upon the Share Consolidation, the provisions of the Companies Act that protect the rights of the general shareholders in connection with the Share Consolidations stipulate that when fractional shares of less than one share are created as a result of the Share Consolidation, the shareholders of the Target may request the Target to purchase all fractional shares of the Target's Stocks that they own at a fair price and that they may file with the court a petition to determine the price of the shares of the Target's Stock pursuant to Article 182-4 and Article 182-5 of the Companies Act and other relevant laws and regulations.

If such petition is filed, the purchase price will ultimately be determined by the court. Although the ratio of the Share Consolidation has not been determined as of today, the Offeror Parties intends to request the Target to determine the ratio based on the number of the Target's Stocks held by the Offeror Parties after the Share Consolidation so that only the Offeror Parties will hold all of the Target's Stock (excluding treasury shares owned by the Target).

Each of the procedures described above may take time to be implemented and the method of implementation of the same may change, depending on the situations such as the amendments, effectuation, and interpretation by the authorities of the relevant laws and regulations. Even in such case, if the Tender Offer is consummated, the method of finally delivering money to the

shareholders of the Target who did not tender in the Tender Offer (excluding the Offeror Parties and the Target) will be adopted, and in such case, the amount of money to be delivered to such shareholder of the Target will be calculated to be equal to the Tender Offer Price multiplied by the number of the shares of the Target's Stock owned by such shareholder of the Target. If a petition to determine the sale price with respect to the Demand for Share Cash-out or a petition to determine the price under appraisal rights regarding the Share Consolidation is filed, the sale price of the shares of the Target's Stock or the price under appraisal rights shall be ultimately determined by a court.

The Target will promptly announce the specific procedures and timing of implementation in each of the above cases as soon as they are determined upon discussion between the Company and the Target.

In addition, if the Squeeze-Out Procedure is expected to be completed by June 30, 2023, the Offeror Parties intends to request the Target, on the condition that the Squeeze-Out Procedure is completed, to partially amend its articles of incorporation to abolish the provision of the record date for voting rights at the ordinary general meeting of shareholders of the Target for the fiscal year ending March 2023 (the "Ordinary General Meeting of Shareholders") in order to make the Offeror Parties the only shareholders who may exercise their rights at the Ordinary General Meeting of Shareholders of the Target. Therefore, even shareholders listed or recorded in the Target's register of shareholders as of March 31, 2023 may not be able to exercise their rights at the Ordinary General Meeting of Shareholders.

The Tender Offer is not a solicitation for the Target's shareholders to vote in favor of the proposals at the Extraordinary Shareholders' Meeting. The shareholders of the Target are also requested to confirm with professionals, such as tax accountants, at their responsibility concerning tax treatment for tendering in the Tender Offer or in each of the other procedures above.

(5) Possibility of delisting and reason therefor

The shares of the Target's Stock are listed on the Prime Market of the TSE as of today. Because the Offeror Parties has not set a maximum number of shares to be purchased in the Tender Offer, the Target's Stock may become delisted through the prescribed procedures in accordance with the TSE's criteria for delisting depending on the results of the Tender Offer. Also, even if such criteria for delisting are not met as at the time of completion of the Tender Offer, the Offeror Parties intends to implement the series of procedure so that the Offeror Parties will be the only shareholders of the Target, as explained above in "(4) Policies on the organizational restructuring, etc. after the Tender Offer (matters concerning "two-step acquisition")" where in such case, the

Target's Stock will be delisted through the prescribed procedures in accordance with the TSE's delisting criteria. After the delisting of the Target's Stock, the shares of the Target's Stock may no longer be traded on the Prime Minister of the TSE.

(6) Material agreements relating to the Tender Offer

(I) Basic Transaction Agreement

As described in "(1) Outline of the Tender Offer" above, the Company has executed the Basic Transaction Agreement with KDDI as of the date of this Press Release, which includes the following provisions with respect to the implementation of the Transaction.

(i) The Company shall cause the Offeror to implement the Tender Offer.

(ii) The commencement of the Tender Offer is subject to the satisfaction of all of the following Preconditions (or waived by the Company and KDDI):

(a) Neither the implementation of transactions of the Business Integration including the Transaction constitutes, or is reasonably expected to constitute, a violation of law or regulation in any material respect (including the absence of any petition, lawsuit or other proceedings pending before the relevant authorities seeking to restrict or prohibit either the implementation of transactions of the Business Integration including the Transaction, the absence of any order, decision, etc. by the relevant authorities to restrict or prohibit the Transaction or the Business Integration, and the absence of any concrete threat of such restriction or prohibition);

(b) Neither the implementation of transactions of the Business Integration including the Transaction conflicts in any material respect with any license, approval, permit, etc. or conditions attached thereto, or violates any required procedures pertaining to any license, approval, permit, etc., and such conflict or violation is not reasonably expected (including the receipt of the approval of the competition authorities required under the Act on Prohibition of Private Monopolization and Maintenance of Fair Trade (Act No. 54 of 1947) of Japan and the competition laws of China, South Korea, France, the Philippines, and Vietnam and other similar laws to the implementation of transactions of the Business Integration including the Transaction, and the elapse of the waiting period and the review period (if any) (including the receipt of a notice that no cease and desist order is to be rendered), and a reasonable expectation that the Japan Fair Trade Commission or other relevant competition law authorities will not take any action or proceeding that prevents the implementation of transactions of the Business

Integration including the Transaction);

- (c) A unanimous resolution to approve the Tender Offer has been adopted by all of the directors of the Target who participated in the deliberations and the resolution, such resolution has been publicly announced, and no resolution conflicting with or withdrawing the substance of the opinion so expressed has been made;
 - (d) The Special Committee established by the Target has submitted a report in favor of the Target's supporting the Tender Offer and implementing the Transaction, and such report has not been withdrawn;
 - (e) The Shareholders Agreement has been validly executed and remains in force;
 - (f) No event has occurred or become known, and is reasonably expected to occur or become known, that will have a material adverse effect on the implementation of transactions of the Business Integration including the Transaction, or otherwise make it difficult to achieve the purposes of the implementation of transactions of the Business Integration including the Transaction;
 - (g) All of the representations and warranties of the counterparty (Note 1) are true and accurate in material respects (without giving effect to any limitation indicated by "in material respects" in this Item (g) as to the representations and warranties subject to materiality qualifiers such as "important," "material," "in material respects," or any similar limitation) and there is no material breach of the counterparty's obligations under the Basic Transaction Agreement (Note 2);
 - (h) As of the commencement date of the Tender Offer, there is no undisclosed material fact with respect to the Target's businesses forming the basis for insider trading restrictions under Article 166 of the Act, or any undisclosed fact concerning tender offers with respect to the Target's share certificates forming the basis for insider trading restrictions under Article 167 of the Act.
- (iii) Subject to the commencement of the Tender Offer and the completion of settlement, the Squeeze-Out procedure shall be implemented as promptly as practicable after the completion of the relevant settlement, and if the Squeeze-Out procedure is completed, Merger No. 1 and Merger No. 2 shall be implemented as procedures to ultimately increase KDDI's voting rights holding ratio in the Target Company to 51.0% and the Company's voting rights holding ratio to 49.0%, respectively.

(Note 1) Under the Basic Transaction Agreement, the Company shall represent and warrant (a) with respect to the Company, (i) establish and continue to exist, (ii) right regarding the execution and performance of the Basic Transaction Agreement, (iii) enforceability of the Basic Transaction Agreement, (iv) obtain permits and licenses, (v) have no contact with laws and regulations, and (vi) have no legal bankruptcy proceedings, and (b) with respect to the Offeror, (i) establish and continue to exist, (ii) execute and perform the Basic Transaction Agreement, (iii) obtain permits and licenses, (iv) absence of liabilities, (v) have no contact with laws and regulations, and, (vi) have no legal bankruptcy proceedings, and (vii) have no transactions with or involvement in antisocial forces, and (c) the Target shall represent and warrant its (i) establishment and continuation of its existence, and implement lawful organizational restructuring, (ii) issued shares and the Target's Stock held by the Offeror, (iii) subsidiaries and associated companies of the Target, (iv) listing of Target on the Prime Market of the TSE as of the day of execution of the Basic Transaction Agreement, (v) preparation and accuracy of financial statements, and absence of subsequent events, (vi) no material breach of obligations under material agreements, (vii) ownership of assets, (viii) no indication from administrative authorities, (ix) compliance with laws and regulations on matters concerning personnel and labor affairs, (x) no lawsuits, (xi) proper and appropriate payment of taxes and public charges, (xii) no events that will have a material adverse effect on the Target Group's financial condition; (xiii) accurate and adequate information disclosure, (xiv) no legal bankruptcy proceedings and (xv) no transactions or involvement with anti-social forces. Under the Basic Transaction Agreement, KDDI shall represent and warrant (a) with respect to KDDI (i) establish and continue to exist, (ii) right regarding the execution and performance of the Basic Transaction Agreement, (iii) enforceability of the Basic Transaction Agreement, (iv) obtain Permits and Licenses, (v) have no contact with laws and regulations, and (vi) have no legal bankruptcy proceedings, and (b) with respect to KDDI Evolva, (i) establish, and continue to exist and implementation of lawful organizational restructuring, (ii) issued shares, (iii) nonexistence of subsidiaries and associated companies of KDDI Evolva, (iv) preparation and accuracy of financial statements and no subsequent events, (v) no material breach of obligations under material agreements, (vi) ownership of assets, (vii) no indication from administrative authorities, and (viii) compliance with laws and regulations with respect to matters related to personnel and labor affairs, (ix) no lawsuits, (x) proper and appropriate payment of taxes and public charges (xi) no events that will have a material adverse effect on the KDDI Evolva's financial condition (xii) accurate and adequate information disclosure (xiii) no legal bankruptcy proceedings; (xiv) no transactions or involvement with anti-social forces.

(Note 2) Under the Basic Transaction Agreement, the Company is obliged to (a) refrain from taking

any actions, directly or indirectly, that conflict with or impede the execution of the Business Integration and to cooperate with each other as necessary to encourage shareholders of the Target to tender their shares in the Tender Offer, (b) cooperate with each other to a reasonable extent in order to complete as soon as practically possible the response to the Antimonopoly Act and the competition laws of China, Korea, France, the Philippines, Vietnam and Thailand that are necessary to realize the Business Integration and any other similar method, (c) cause the Target to conduct its business substantially on the same basis as before the date of execution of the Basic Transaction Agreement and within the scope of its ordinary business with the due care of a good manager (obligation to make commercially reasonable efforts until the completion of Squeeze-Out procedure), and (d) request the counterparties to the material agreements executed by the Target not later than the day immediately preceding the effective date of Merger No. 2 to refrain from engaging in any activities that conflict with or impede the execution of the Tender Offer, as the shareholder of the Target the Company has an obligation to make commercially reasonable efforts to obtain written consent to, or give notice of, the execution of the Basic Transaction Agreement and the implementation of the Business Integration. Under the Basic Transaction Agreement, KDDI has an obligation to (a) refrain from taking any action, directly or indirectly, that would conflict with or impede the execution of the Business Integration and to cooperate with each other as may be necessary to facilitate the Target's shareholders' acceptance of the Tender Offer, (b) cooperate to a reasonable extent in order to complete as promptly as practicable the response to the Antimonopoly Act and competition laws in China, Korea, France, the Philippines, Vietnam and Thailand that are required for the consummation of the Business Integration and any other similar method, (c) cause KDDI Evolva to conduct its business with the due care of a prudent manager substantially in the same manner and within the ordinary course of business as that conducted prior to the date of execution of the Basic Transaction Agreement, and (d) cause any counterparty to any material agreement entered into by KDDI Evolva not later than the day immediately prior to the effective date of Merger No. 2 to engage in any activity that would conflict with or impede the execution of the Business Integration; the Company has an obligation to cause KDDI Evolva to make its best efforts to obtain written consent to, or give notice of, the execution of the Basic Transaction Agreement and the implementation of the Business Integration.

(II) Tender Agreement

As set forth in "(1) Outline of the Tender Offer" above, the Offeror has executed the Tender Agreement with Central Security Patrol as of the date of this Press Release, which includes the

provisions below. The Offeror agreed to tender in the Tender Offer all of the Target's Stock (6,193,344 shares, ownership ratio of 9.55%) owned by Central Security Patrols. With respect to the Offeror Parties, the Offeror Parties have not reached any agreement with Central Security Patrols, other than the Tender Agreement, and there are no benefits to be provided by the Offeror Parties to Central Security Patrols other than the money obtained by tendering for the Tender Offer. As a condition to tender all of the Target's Stock owned by Central Security Patrols in the Tender Offer, the Tender Agreement provides that (i) the Offeror has performed and complied with its obligations to be performed or complied with by it prior to the commencement of the Tender Offer pursuant to the Tender Agreement in all material respects, and (ii) the representations and warranties set forth in the Tender Agreement with respect to the Offeror (Note) are correct in all material respects. However, Central Security Patrols may, at its own discretion, waive all or part of these conditions and tender. In addition, the following terms and conditions are agreed upon in the Tender Agreement.

(Note) In the Tender Agreement, the Offeror made representations and warranties with respect to (i) its establishment and existence, (ii) rights regarding the execution and performance of the Tender Agreement, (iii) the enforceability of the Tender Agreement, (iv) the non-existence of any conflict with the laws and regulations, (v) the acquisition of any permission and licenses, (vi) the non-existence of any legal bankruptcy proceedings, (vii) the non-existence of any transaction or any involvement with anti-social forces, and (viii) the financing.

(i) If a general meeting of shareholders of the Target is held on or after the date of the execution of the Tender Agreement and prior to the commencement date of settlement in connection with the Tender Offer and the Target Company has voting rights at such general meeting of shareholders, the Central Security Patrols have the obligation to exercise any and all rights as a shareholder at such general meeting of shareholders in accordance with the Offeror's instructions or to grant to the Offeror or a third party designated by the Offeror a power of attorney in relation to such rights in accordance with the Offeror's request.

(ii) The Central Security Patrols shall not withdraw the Tender Offer and terminate the Tender Offer Agreement concluded by the Tender Offer, even during the Tender Offer Period, without the prior written consent of the Offeror. However, in the event that, after the conclusion of the Tender Agreement and no later than five (5) business days prior to the last day of the Tender Offer Period, any person other than the Offeror makes a concrete and realistic counterproposal to acquire (regardless of it being a tender offer, reorganization or any other method.) the Target's Stock for the consideration equivalent to a certain amount more than the Tender Offer Price, or such counterproposal is publicly announced, the

Central Security Patrols may request the Offeror to discuss the change of the Tender Offer Price, If (a) the Offeror does not change the Tender Offer Price to an amount greater than the consideration for the Tender Offer by the earlier of ten (10) business days from the date of such offer or ten (2) business days prior to the last day of the Tender Offer Period, and (b) Central Security Patrols reasonably determines that the exercise by Central Security Patrols of the Tender Offer or the non-withdrawal of the Tender Offer already made by Central Security Patrols is likely to violate the duty of care of the directors of Central Security Patrols, then the Offeror may cancel the agreement for the purchase effected by the Tender Offer.

(III) Shareholders Agreement

In accordance with "(II) Management policy after the Tender Offer" in "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer" above, the Company and KDDI have executed the Shareholders Agreement with respect to the joint operation of the Integrated Company Group as of the date of this Press Release, which includes the following provisions. The Shareholders Agreement will become effective on the day Merger No. 2 becomes effective, except for certain provisions such as general provisions.

- (i) The roles of each party in relation to the Integrated Company's business operations;
- (ii) Matters concerning the organization and operation of the Integrated Company (after Merger No. 2 becomes effective, (a) the right to nominate the directors of the Integrated Company (the number of directors shall be 11 or less. Six (6) directors from KDDI and five (5) directors from the Company.), (b) the right to nominate the representative directors of the Integrated Company, (c) the right to nominate the auditors of the Integrated Company, (d) the operation of meetings such as management meetings and shareholders' councils and (e) the shareholders' consent rights regarding important matters);
- (iii) The rights and obligations of each Party ((a) reporting obligations in the event of material events in relation to the Integrated Company; (b) matters relating to the Integrated Company's dividend policy; and (c) no withdrawal of officers or employees of the Integrated Company Group by either party);
- (iv) Matters related to the shares of the Integrated Company (transfer restrictions on the Integrated Company's Stock, KDDI's right of first refusal after a certain period of time, call

or put options in times of material breach of contractual obligations)

2. Summary of Tender Offer

(1) Summary of the Target

(i)	Name	Relia, Inc.	
(ii)	Location	2-6-5, Yoyogi, Shibuya-ku, Tokyo	
(iii)	Name and title of representative	President & CEO, Takashi Amino	
(iv)	Description of business	Contact center services and back office services	
(v)	Amount of share capital	998 million yen (as of September 30, 2022)	
(vi)	Date of incorporation	June 23, 1987	
(vii)	Major shareholders and shareholding ratio (as of September 30, 2022) (Note)	Mitsui & Co. Ltd.	36.56%
		CENTRAL SECURITY PATROLS Co., Ltd.	9.55%
		The Master trust of Japan Trust Bank, Ltd. (trust account)	6.91%
		GOLDMAN SACHS & CO. REG (standing proxy; Goldman Sachs)	5.41%
		Custody Bank of Japan, Ltd. (trust account)	4.09%
		Nippon Life Insurance Company	2.25%
		SMBC Trust Bank Ltd. (SMBC employee pension trust account)	2.22%
		STATE STREET BANK AND TRUST CLIENT OMNIBUS ACCOUNT OM02 505002 (standing proxy: Settlement Sales Department of Mizuho Bank Ltd.)	1.57%
		STATE STREET LONDON CARE OF STATE STREET BANK AND TRUST, BOSTON SSBTC A/C UK LONDON BRANCH CLIENTS-UNITED KINGDOM (standing	1.56%

	proxy: Custody Service Department HSBC Tokyo Branch) The Nomura Trust and Banking Co., Ltd. 1.55% (investment trust account)
(viii)	Relationships between the Offeror Parties and the Target
Capital relationship	As of today, the Company owns 23,707,200 shares of the Target's Stocks (ownership ratio: 36.56%).
Personal relationship	One of the eight directors of the Target is also an employee of the Company. In addition, 10 employees are seconded from the Company to the Target.
Business relationship	There are transactions such as contract of contact centers for the Company and the group companies of the Company with the Company.
Status as related party	The Target is an equity method affiliate of the Company and constitutes a related party of the Company.

(Note) "Major shareholders and shareholding ratio (as of September 30, 2022)" is extracted from "Major Shareholders" in the Target's Annual Securities Report for the Target's Q2 Securities Report

(2) Schedule

The Tender Offer is intended to be promptly consummated once Preconditions are satisfied (or waived by the Company and KDDI) pursuant to the Basic Transaction Agreement. As of the date of this Press Release, the Offeror Parties aim to commence the Tender Offer around March 2023. However, as it is difficult to accurately predict the period required for the procedures to be taken, at the competition authorities inside and outside Japan, the details of the schedule for the Tender Offer will be announced promptly after it is determined. The Offeror Parties intends to make the Tender Offer Period 20 business days, which is the shortest period provided by laws and regulations (Note).

(Note) The Tender Offer Period will be a period by which 20 business days in the United States, which is the minimum number of days required for the Tender Offer Period under the U.S. securities laws, will be covered. The same shall apply hereinafter for the business days of the Tender Offer Period.

Under laws and regulations, the Target has the right to request the Offeror to change the Tender Offer Period to 30 business days if the Tender Offer Period is shorter than 30 business days.

However, since as described in "(II) Establishment of independent special committee at the Target and procurement of written report from the said committee" under "(3) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflict of interests" under "1. Purposes of the Purchase" above, although the Tender Offer Period is set as 20 business days, which is the shortest period specified by laws and regulations, the Special Committee has determined that an opportunity for the general shareholders to make an appropriate decision regarding the tender of the Tender Offer and an opportunity for persons other than the Offeror Parties to purchase the Target's Stocks are secured due to the facts that the period from the announcement of the proposed Tender Offer to the actual commencement of the Tender Offer is long the Offeror Parties currently believe that there is no possibility of receiving a request from the Target for an extension of the Tender Offer Period.

(3) Price of tender offer

1,465 yen per share of the common stock

(4) Basis of calculation of the price of tender offer

(I) Basis of calculation

The Company, in determining the Tender Offer Price, retained Nomura Securities which is its financial adviser as its third-party valuator independent of the Offeror Parties, KDDI, the Target, and KDDI Evolva to calculate the value of the Target's Stock.

Nomura Securities evaluated the value of the Target's Stocks based on its judgment that it is appropriate to multilaterally evaluate the value of the Target's Stocks based on the assumption that the Target is a going concern after considering the calculation method to be adopted from among multiple methods for calculating the value of the Target's Stocks. Nomura Securities used the average market price method since the Target's Stocks are listed on the Prime Market of the Tokyo Stock Exchange and its market price exists, the comparable peer company multiple method as there are multiple listed companies comparable to the Target and it is possible to infer the value of the Target's Stocks by comparing similar companies, and the DCF method to reflect the status of future business activities in the calculation. On January 13, 2023, the Company received the Share Valuation Report from Nomura Securities. The Company has not procured an opinion concerning the fairness of the Tender Offer Price (fairness opinion) from Nomura Securities since the Offeror Parties have implemented measures to ensure the fairness of the Tender Offer and to avoid conflicts of interest, and the Company believes that it has given sufficient consideration to the interests of the Target's

minority shareholders.

According to the Share Valuation Report, the share value range per share of the Target's Stock calculated using each of the above methods used is as follows:

Average market price method:	from 973 yen to 1,017 yen
Comparable peer company multiple method:	from 925 yen to 1,318 yen
DCF method:	from 1,233 yen to 2,339 yen

Under the average market price method, the reference date of calculation being January 12, 2023, the share value range per share of the Target's Stock was analyzed to be 973 yen to 1,017 yen, based on the simple average closing price for the most recent five days ending the same date (from January 5 2023 to January 12, 2023) (973 yen), the simple average closing price for the most recent one month of the Target's Stock on the Prime Market of the TSE ending on the reference date of calculation (from December 13, 2022 to January 12, 2023) (1,002 yen), the simple average closing price for the most recent three months ending the same date (from October 13, 2022 to January 12, 2023) (1,005 yen), and the simple average closing price for the most recent six months ending the same date (from July 13, 2022 to January 12, 2023) (1,017 yen).

Under the comparable peer company multiple method, the share value of the Target's Stock was calculated, and the share value range per share of the Target's Stock was calculated to be 925 yen to 1,318 yen through comparison with the market share price of listed companies operating businesses relatively similar to those of the Target and the indicators of their profitability and other financial conditions.

Under the DCF method, based on the Target's future earnings forecasts adjusted by the Offeror Parties, the share value range per share of the Target's Stock was analyzed to be 1,233 yen to 2,339 yen by analyzing the Target's share value based on various elements such as the Business Plan from the fiscal year ending March 2023 to the fiscal year ending March 2026, and information generally disclosed to the public, and discounting at a certain rate to the present value the cash flow to be generated by the Target in the future after the third quarter of its fiscal year ending March 2023. The financial forecasts of the Target used as the basis for the DCF method do not include fiscal years in which significant increases in profits and losses are projected.

The Tender Offer Price (1,465 yen) accounts for a 50.41% premium on the closing price (974 yen) of the Target's Stock on the Prime Market of the TSE on January 12, 2023, i.e. the

business day immediately prior to the date of announcement of the planned commencement of the Tender Offer, a 46.21% premium on the simple average closing price (1,002 yen) for the last one month, a 45.77% premium on the simple average closing price (1,005 yen) for the last three months, and a 44.05% premium on the simple average closing price (1,017 yen) for the last six months, respectively.

(Note) In calculating the share value of the Target's Stock, Nomura Securities assumed that the publicly available information and all information provided to Nomura Securities are accurate and complete, and did not independently verify the accuracy and completeness thereof. Nomura Securities has not independently evaluated, appraised or assessed the assets or liabilities (including derivatives, off-balance sheet assets and liabilities, and other contingent liabilities.) of the Target and its associated companies, including the analysis and evaluation of individual assets and liabilities, nor has it requested a third-party organization to conduct an appraisal or assessment. It is assumed that the financial projections of the Target (including profit plans and other information) were reasonably examined or prepared by the Company and the Target's management based on the best and good faith projections and judgments available at the present time. Nomura Securities' calculation reflects the information it obtained up to January 12, 2023 and economic conditions. The sole purpose of Nomura Securities' valuation is to serve as a reference for the Company's board of directors to review the value of the Target's shares.

(II) Process of calculation

(Circumstances leading to the decision of the Tender Offer Price)

The Company continued to discuss and negotiate with KDDI the implementation of the Business Integration, terms and conditions of the transaction including details of the transaction structure, and plans for management and business operation after the Business Integration, and on December 6, 2022, the Company submitted to the Target the First Proposal. The Company conducted a multifaceted and comprehensive analysis of the Target's business, finance and future plans, and determined the Tender Offer Price to be 1,300 yen in the First Proposal, since the Tender Offer Price of 1,300 yen reflected a premium over the market price of the Target's Stock of (a) 29.10% over the closing price (1,007 yen) of the Target's Stock on the Prime Market of the TSE as of December 2, 2022 (rounded to the second decimal place; hereinafter the same in calculation of the premiums), (b) 26.83% over the simple average closing price (1,025 yen) on the Prime Market of the TSE for the one (1) month ending December 2, 2022 (rounded to the whole number; hereinafter the same in calculation of the simple average closing prices),

(c) 30.78% over the simple average closing price (994 yen) on the Prime Market of the TSE for the three (3) months ending December 2, 2022, and (d) 25.97% over the simple average closing price (1,032 yen) on the Prime Market of the TSE for the six (6) months ending December 2, 2022, and was a price that is not disadvantageous to the Target's shareholders.

Following the submission of the First Proposal, on December 9, 2022, the Company received a request from the Target and the Special Committee to reconsider the Tender Offer Price in the First Proposal for the reason that the Target and the Special Committee determined that the Tender Offer Price in the First Proposal did not reach a sufficient level for the Target to resolve to express an opinion in support of the Tender Offer to the minority shareholders of the Target. In response to the request from the Target and the Special Committee, the Company and KDDI held sincere discussions and negotiations on the terms and conditions of the Transaction, and on December 19, 2022, the Company made the Second Proposal to the Target and the Special Committee.

Following the submission of the Second Proposal, on December 23, 2022, the Company received a request from the Target and the Special Committee to increase the Tender Offer Price in the Second Proposal to 1,640 yen per share for the reason that the Tender Offer Price in the Second Proposal still did not reach a sufficient level for the Target to resolve to express an opinion in support of the Tender Offer to the minority shareholders of the Target. In response to the request from the Target and the Special Committee, the Company and KDDI held sincere discussions and negotiations on the terms and conditions of the Transaction, and on December 28, 2022, the Company made the Third Proposal to the Target and the Special Committee.

Following the submission of the Second Proposal, on December 30, 2022, the Company received a request from the Target and the Special Committee to increase the Tender Offer Price in the Second Proposal to 1,530 yen per share from the viewpoint of securing transaction terms that are as favorable as possible for the minority shareholders of the Target. In response to the request from the Target and the Special Committee, the Company and KDDI held sincere discussions and negotiations on the terms and conditions of the Transaction, and on January 6, 2023, the Company made the Fourth Proposal to the Target and the Special Committee.

Following the submission of the Fourth Proposal, on January 10, 2023, the Company received a request from the Target and the Special Committee to increase the Tender Offer Price in the Fourth Proposal to 1,480 yen per share from the viewpoint of securing

transaction terms that are as favorable as possible for the minority shareholders of the Target. In response to the request from the Target and the Special Committee, the Company and KDDI held sincere discussions and negotiations on the terms and conditions of the Transaction, and on January 11, 2023, the Company made the Final Proposal

On January 11, 2023, following the submission of the Final Proposal, the Company received a response from the Target and the Special Committee agreeing to set the Tender Offer Price at 1,465 yen, based on the belief that such price is reasonable from the viewpoint of the minority shareholders' interests, comprehensively taking into account recent market price trends and other factors, and is at a level that will enable the Target to gain broad understanding and support from its minority shareholders and other stakeholders.

As a result of the above discussions and negotiations, on January 11, 2023, the Company, KDDI, and the Target reached an agreement on the Tender Offer Price of 1,465 yen per share. As of today, the Company and KDDI executed the Basic Transaction Agreement and the Shareholders Agreement, and decided that the Offeror will conduct the Tender Offer for all of the Target's Stock (excluding the Target's Stock held by the Company and the treasury shares held by the Target) for the purpose of the Business Integration subject to the satisfaction (or waiver by the Company and KDDI) of the Preconditions.

(a) Name of third-parties consulted at the time of calculation

The Company, in determining the Tender Offer Price, referenced Share Valuation Report submitted by Nomura Securities which is the third-party valuator independent of the Offeror Parties, KDDI, the Target and KDDI Evolva. The Company has not procured a fairness opinion on the Tender Offer Price from Nomura Securities since the Company believes that the Offeror Parties have implemented measures to ensure the fairness of the Tender Offer and to avoid conflicts of interest and that sufficient consideration has been given to the interests of minority shareholders of the Target.

(b) Summary of the opinion

The range of the value per share of the Target's Stock calculated using each method of the average market price method, the comparable peer company multiple method, and the DCF method which was calculated by Nomura Securities is as follows:

Average market price method: from 973 yen to 1,017 yen

Comparable peer company multiple method: from 925 yen to 1,318 yen
 DCF method: from 1,233 yen to 2,339 yen

(c) Circumstances leading to the decision of the purchase price based on the opinion

As described in "(I) Basis of calculation" above, in addition to the results of calculation of the Share Valuation Report procured from Nomura Securities on January 13, 2023, the Company comprehensively considered elements such as the results of due diligence conducted on the Target during the period from late September to early December 2022, the premium level (premium's median/average of the closing prices on the business day before the announcement date (37.50%, 42.42%), premium's median/average of the closing prices for the last one month (45.65%, 50.50%), premium's median/average of the closing prices for the last three months (51.12%, 55.92%), and premium's median/average of the closing prices for the last six months (49.13%, 56.94%)) of 16 cases of tender offers for shares of other companies that intend to make domestically listed equity method affiliates to wholly-owned subsidiaries that were announced on or after January 1, 2018, the trends in market price of the Target's Stock being stable with an average market closing price of 1,017 yen over the last six months, approval or disapproval of the Tender Offer by the Target's board of directors, prospects for acceptance of the Tender Offer, and took into account the results of discussions and negotiations with KDDI and the Target, and decided to set the Tender Offer Price at 1,465 yen per share as of the date of this Press Release. This amount exceeds the upper limit of the range of the results of calculation based on the average market price method and comparable peer company multiple method in the Share Valuation Report described in "(1) Basis of calculation" above, and is within the range of the results of calculation based on the DCF Method.

(III) Relationship with valuator

Nomura Securities as a financial advisor for the Company and third-party valuator is not a related party of the Offeror Parties or the Target, and has no material interests in the Transaction including the Tender Offer.

(5) Number of shares to be purchased

Class of stock	Number of tendered shares to be purchased	Minimum number of tendered shares to be purchased	Maximum number of tendered shares to be purchased

Common Stock	41,130,833 shares	19,518,200 shares	- shares
Total	41,130,833 shares	19,518,200 shares	- shares

(Note 1) If the total number of the Tendered Shares is less than the minimum number of tendered shares to be purchased in the Tender Offer (19,518,200 shares), the Offeror Parties will purchase none of the Tendered Shares. If the total number of the Tendered Shares is no less than the minimum number of tendered shares to be purchased in the Tender Offer, the Offeror Parties will purchase all of the Tendered Shares.

(Note 2) The number of tendered shares to be purchased (41,130,833 shares) is the maximum number of the Target's Stock that the Offeror Parties shall acquire by the Tender Offer. Such maximum number of shares to be purchased is the total number of issued shares as of September 30, 2022 as stated in the Target's Q2 Securities Report, less the number of shares owned by the Company (23,707,200 shares) as of the same date (64,838,033 shares. As of September 30, 2022, the Target has no treasury shares.). The above number of shares to be purchased is a provisional number based on the information as of the same date, and the actual number of shares to be purchased in the Tender Offer, which will be set based on the latest information available at the time of commencement of the Tender Offer, may differ from the above number due to changes after that date.

(Note 3) Shares less than one unit are also subject to the Tender Offer. If a shareholder exercises the right to demand purchase of shares less than one unit pursuant to the Companies Act, the Target may purchase its shares during the Tender Offer Period in accordance with statutory procedures.

(Note 4) The treasury shares held by the Target are not scheduled to be acquired through the Tender Offer.

(6) Change in shareholding ratio after tender offer

Number of voting rights pertaining to the shares held by the Offeror before the Tender Offer	-	(Shareholding Ratio before the Tender Offer -%)
Number of voting rights pertaining to the shares held by special related parties before	237,072	(Shareholding Ratio before the Tender Offer 36.56%)

the Tender Offer		
Number of voting rights pertaining to the shares held by the Offeror after the Tender Offer	411,308	(Shareholding Ratio after the Tender Offer 63.44%)
Number of voting rights pertaining to the shares, etc. held by special related parties after the Tender Offer	237,072	(Shareholding Ratio after the Tender Offer 36.56%)
Total number of voting rights of all shareholders of the Target	648,283	

(Note 1) "Number of voting rights pertaining to the shares held by the Offeror after the Tender Offer" is the number of voting rights (411,308) pertaining to the number of shares to be purchased (41,130,833 shares) in the Tender Offer.

(Note 2) "Number of voting rights pertaining to the shares held by special related parties before the Tender Offer" is only the provisional numbers of voting rights pertaining to Target's Stock held by the Company as of the date of this Press Release among the shares held by each special related party (excluding parties that shall be excluded from special related parties pursuant to Article 3, Paragraph 2, Item (i) of the Cabinet Office Ordinance on Disclosure Required for Tender Offer for Share Certificates, etc. by Person Other Than Issuer (Ordinance of the Ministry of Finance No. 38 of 1990, as amended) for the purpose of calculating the holding ratio of shares, etc. set out in each item of Article 27-2, Paragraph 1 of the Act). With regards to the Tender Offer, since the shares, etc. held by special related parties (excluding the Target's Stock held by the Company) are also subject to tender offers, the "Number of voting rights pertaining to the shares, etc. held by special related parties after the Tender Offer" is the numbers of voting rights pertaining to Target's Stock held by the Company as of the date of this Press Release. Since the Offeror intends to confirm the shares of the Target held by special related parties other than the Company by the consummation of the Tender Offer, if it is necessary to amend the above "Number of voting rights pertaining to the shares held by special related parties before the Tender Offer" and "Number of voting rights pertaining to the shares, etc. held by special related parties after the Tender Offer" the Offeror Parties will disclose the amendments made at the consummation of the Tender Offer.

(Note 3) "Total number of voting rights of all shareholders of the Target" is the number of the voting rights of all shareholders as of September 30, 2022 as indicated in the Target's Q2 Securities Report. However, because shares less than one unit are also subject to tender offer, "Shareholding Ratio before the Tender Offer" and "Shareholding Ratio after the Tender Offer" are calculated based on the denominator of the number of voting rights (648,380) pertaining to the total number of issued shares as indicated in the Target's Q2 Securities Report (64,838,033 shares. As of September 30, 2022, the Target has no treasury shares.)).

(Note 4) "Shareholding Ratio before the Tender Offer" and "Shareholding Ratio after the Tender Offer" are indicated by rounding to the second decimal place.

(7) Aggregate tender offer price (scheduled)

60,256,670,345 yen

(Note) The aggregate tender offer price indicated is the amount obtained by multiplying the number of shares scheduled to be purchased in the Tender Offer (41,130,833 shares) by the Tender Offer Price (1,465 yen). Due to changes after the date of this Press Release, if the actual number of shares purchased in the Tender Offer differs, the tender offer price may be subject to change.

(8) Other conditions and method of tender offer

(I) Conditions in each item of Article 27-13, Paragraph 4 of the Act and contents thereof

If the total number of the Tendered Shares is less than the minimum number of tendered shares to be purchased in the Tender Offer (19,518,200 shares), the Offeror Parties will purchase none of the Tendered Shares. If the total number of the Tendered Shares is no less than the minimum number of tendered shares to be purchased in the Tender Offer (19,518,200 shares), the Offeror Parties will purchase all of the Tendered Shares.

(II) Other conditions and method of tender offer

The method of settlement, the date of public notice of commencement of the tender offer, and other conditions and method of tender offer will be announced as soon as they are determined. Nomura Securities will be appointed as the tender offer agent.

(III) Others

This Press Release is intended to announce the Tender Offer to the public and has not been prepared for the purpose of soliciting an offer to sell or to make an offer to purchase shares pertaining to the Tender Offer. If shareholders wish to make an offer to sell their shares, they should first read the Tender Offer Explanatory Statement concerning the Tender Offer and make an offer to sell their shares or place an offer to purchase shares at their own discretion. This Press Release shall neither be, nor constitute a part of, an offer of solicitation to sell, or an offer to purchase any securities, and neither this Press Release (or a part of this Press Release) nor its distribution shall be interpreted to constitute the basis of any agreement in relation to the Tender Offer, and this Press Release may not be relied upon at the time of entering into any such agreement.

The Tender Offer is for common shares issued by the Target, a company incorporated in Japan. The Tender Offer will be consummated in compliance with the procedures and information disclosure standards prescribed by Japanese law, and these procedures and standards are not necessarily the same as the procedures and information disclosure standards in the United States. In particular, Sections 13 (e) or 14 (d) of the Securities Exchange Act of 1934 (including subsequent revisions. The same shall apply hereinafter.) and the rules and regulations thereunder do not apply to the Tender Offer and the Tender Offer is not consistent with these procedures and standards. The financial information contained in this Press Release and its reference documents is based on Japanese accounting standards, which may differ materially from generally accepted accounting principles in the United States and other countries. In addition, since the Offeror is a corporation incorporated outside the United States and all or some of its officers are not residents of the United States, it may be difficult to exercise rights or claims that may be asserted on the basis of the securities laws of the United States. In addition, it may not be possible to commence legal proceedings against a non-U.S. corporation and its officers in a non-U.S. court for violations of U.S. securities laws. In addition, U.S. courts may not assert jurisdiction over non-U.S. entities and their subsidiaries and affiliates.

Unless otherwise stated, all procedures relating to the Tender Offer shall be conducted in the Japanese language. Although all or part of the documents relating to the Tender Offer are prepared in English, if there is any discrepancy between the English documents and the Japanese documents, the Japanese documents shall prevail.

Certain statements in this Press Release and its reference documents are forward-looking statements within the meaning of Section 27 A of the Securities Act of 1933 (including subsequent revisions.) and Section 21 E of the Securities Exchange Act of 1934. Known and

unknown risks, uncertainties and other factors could cause actual results to differ materially from those expressed or implied by these forward-looking statements. Neither the Offeror, the Target nor their affiliates can guarantee that the results expressed or implied by these forward-looking statements will be achieved. The forward-looking statements contained in this Press Release and its reference documents have been prepared based upon the information the Offeror possesses as of the date of this Press Release, and unless otherwise obligated under laws and regulations, the Offeror Parties, the Target and their affiliates assume no obligation to change or revise the statements to reflect the future events and circumstances.

The Offeror Parties and KDDI, and each of the financial advisors and the tender offer agent of the Offeror Parties, KDDI and the Target (including their affiliates) may, in the ordinary course of its business and to the extent permitted under the Financial Instruments and Exchange Related Laws and Regulations of Japan and other applicable laws and regulations, purchase the Target's Stocks for its own account or for the account of its customers in accordance with the requirements of Rule 14 e -5 (b) of the Securities Exchange Act of 1934 or otherwise conduct acts in connection therewith before the commencement of the Tender Offer or during the Tender Offer Period. Such purchases may be made at market prices through market transactions or at prices determined by off-market negotiations. If such information is disclosed in Japan, such information shall also be disclosed in the United States in a similar manner.

If a shareholder exercises the right to demand purchase of shares less than one unit pursuant to the Companies Act, the Target may purchase its shares during the Tender Offer Period in accordance with statutory procedures.

3. Policies after the Tender Offer and Perspectives

For our policies after the Tender Offer, see "(2) Background and purposes of the Tender Offer and decision-making process leading to the implementation of the Tender Offer, and management policy after the Tender Offer," "(4) Policies on the organizational restructuring, etc. after the Tender Offer (matters concerning "two-step acquisition")" and "(5) Possibility of delisting and reason therefor" under "1. Purposes of the Purchase" above.

4. Others

(1) Agreements between the Offeror Parties and the Target or its officers, and the details thereof

According to the Target's Press Release, the Target resolved at the board of directors' meeting held

on the date of this Press Release to express its current opinion of expressing an opinion supporting the Tender Offer and to recommend that the shareholders of the Target tender their shares in the Tender Offer. For the details of the process of the decision-making by the Target's board of directors, see "(VI) Unanimous approval of all disinterested directors of the Target and the opinion of all disinterested auditors of the Target that they have no objection" under "(3) Measures to ensure the fairness of the Tender Offer, such as measures to ensure the fairness of the Tender Offer Price and measures to avoid conflict of interests" under "1. Purposes of the Purchase" above.

(2) Other information considered to be necessary for investors to determine whether to tender their shares in the Tender Offer

(I) Announcement of "Notice Regarding Revision to Full-Year Financial Forecast and Revision to Dividend Forecast for the Fiscal Year End"

According to the Target, the Target resolved at its board of directors' meeting held on January 13, 2023 to revise the dividend forecast for the fiscal year ending March 2023 and not to pay a year-end dividend for the fiscal year ending March 2023 and to revise the full-year consolidated financial forecast. The outline of the revision to the full-year consolidated financial forecast is as follows. For details, please refer to the "Notice Regarding Revision to Full-Year Financial Forecast and Revision to Dividend Forecast for the Fiscal Year End" announced by the Target on January 13, 2023.

(million yen)

	Net sales	Operating profit	Ordinary profit	Current net profit attributable to owners of parent	Current net profit per share (yen)
Previous forecast (A)	125,000	8,600	8,600	5,700	87.91
Revised forecast (B)	126,500	8,100	8,100	5,350	82.51
Change (B-A)	1,500	(500)	(500)	(350)	—
Change (%)	1.2%	(5.8)%	(5.8)%	(6.1)%	—
(Reference) Results of the previous fiscal year (Year ended March	117,884	8,300	8,180	5,439	82.99

2022)					
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Soliciting Regulations

This Press Release is intended to announce the Tender Offer to the public and has not been prepared for the purpose of soliciting an offer to sell or to make an offer to purchase shares pertaining to the Tender Offer. If shareholders wish to make an offer to sell their shares, they should first read the Tender Offer Explanatory Statement concerning the Tender Offer and make an offer to sell their shares at their own discretion. This Press Release shall neither be, nor constitute a part of, an offer of solicitation to sell, or an offer to purchase any securities, and neither this Press Release (or a part of this Press Release) nor its distribution shall be interpreted to constitute the basis of any agreement in relation to the Tender Offer, and this Press Release may not be relied upon at the time of entering into any such agreement.

Forward-Looking Statements

This information may contain expressions concerning future prospects for business of the Offeror Parties and other companies, including "expect," "anticipate," "intend," "plan," "strongly believe," and "project." These expressions are based on the business prospects of the Offeror Parties at present, and are subject to change depending on the future circumstances. In respect of this information, the Offeror Parties assume no obligation to update these expressions concerning future prospects to reflect actual performance and other circumstances, and changes in the terms.

U.S. Regulations

Although the Tender Offer will be consummated in compliance with the procedures and information disclosure standards prescribed by the Act, these procedures and standards are not necessarily the same as the procedures and information disclosure standards in the United States. In particular, Sections 13 (e) or 14 (d) of the Securities Exchange Act of 1934 and the rules and regulations thereunder do not apply to the Tender Offer and the Tender Offer is not consistent with these procedures and standards.

Unless otherwise stated, all procedures relating to the Tender Offer shall be conducted in the Japanese language. Although all or part of the documents relating to the Tender Offer are prepared in English, if there is any discrepancy between the English documents and the Japanese documents, the Japanese documents shall prevail.

Other Countries

The announcement, issuance, or distribution of this Press Release may be legally restricted in some countries or territories. In such case, shareholders should be aware of and comply with such restriction. The announcement, issue or distribution of this Press Release shall not be interpreted as an offer to purchase or solicitation of an offer to sell shares concerning the Tender Offer, but simply as a distribution of information.